THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

April 12, 1947

NANKING SHOULD ACT

AN EDITORIAL

Europe First, View In Britain

By C. Y. Hsieh

CHINA'S LAND LAW

— Complete Text —

Compromise Trend In France

By Jacques Decaux

COURT BEHAVIOR

AN EDITORIAL

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

"My Blood Boils..."

To The Editor:

I read all the anti-devil-stricken editorials in the March 29 issue of the *Review*, particularly the article on "Taiwan's Blood Bath," which made my blood boil. It will continue to boil as long as I live.

I had written to General George Marshall and Dr. John Leighton Stuart, my teacher at Nanking University some 34 years ago, about the "Untenability Of China's Cause For Your Country." I have read Edgar Snow's articles on Russia in the Saturday Evening Post, William B. Arthur's article on "What Stalin Tells Russians About The U.S." in Look Magazine, and Elliott Roosevelt's "As He Saw it."

Thus I am driven to the conclusion that both the U.S. and China are hell bent for doom. It is a confirmed truth that military men have blank minds the world over. For 10 years I have tried to locate the reason for China's backwardness, and am convinced that it is in an incubator for criminals. Since 1927 the Kuomintang have proved themselves to be a group of Hottentots, bootlickers and bloodsuckers, nothing more or less.

Now America comes out openly to support them unconditionally. What an inhuman tragedy. I am afraid Marshall will fail again this time in Moscow!

S. W. H.

Chungking,
April 8, 1947.

Dog's Life

To The Editor:

With recent issues of the *Review* I have received notes from you reminding me to renew my subscription. I have duly read them with a thousand thanks, and wish to thank you for the complimentary issue of the *Review* just received.

But I regret to tell you that, notwithstanding my enthusiastic intentions, I am unable to continue my subscription because of my present financial difficulties.

You may not know that as a rural middle school teacher, my total salary each month is no more than CNC$200,000. What a dog's life it is, if you are able to imagine it!

Everybody in the country is crying "Education first!" and yet, de facto, education runs last on the list. The economic conditions of rural education are more serious than most people in other parts of China realize. In some districts, even such a small sum as I have mentioned can not be paid on time for many months.

If I were able to choose again, I would rather be a beggar on the streets of New York, or a rascal in Shanghai, than be highly educated and suffer the fate of a rural schoolteacher. In big cities there would always be a way of making more money.

I will say no more about this injustice, but you are welcome to print this letter in the *Review* so that your readers may learn a little more about the pitiful condition of rural education.

I hope in the near future to become a subscriber once more, providing my income improves a little.

T. N. KING.

Shatow, Kansu,
March 27, 1947.

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In The Soup

To The Editor:

Happy Easter Greetings! Your paper takes my heart. There is nothing more precious in the world than to be able openly to speak out one's mind with impunity.

I am a great valuer of time. Since my youth I have always been very precise about how I should spend each moment. I have bought your *Review* from the streetstalls each week and read it through and through, and know who are your good writers and who are not. I am too lazy to subscribe, preferring to buy it from time to time off the streets.

But there is something that puzzles me. Do you speak in parables at times? I refer to your "Proclaim Upon The Housetops," appearing in the March 29 issue, with its scriptual citations. Do you follow ebionism? Such as: "Blessed are the Poor, for theirs is the Kingdom of Heaven."

To speak more clearly, I understand your policy in China is for the general welfare of all the people. You advocate fair play, i.e., "We don't care who you are, what you are, how rich you are, how powerful you are; what we care for is fair play!" Hip, hip, hooray!

When the Mandate of the People is sanctioned, China will get her democracy. The trouble with China, as you know, is that "The Chinese people are too ignorant and too poor," that is, China as a mass. You cannot elevate the status of China by simply giving her V-J Day. Her trouble is over-population. There is too much of a struggle for life. Given better opportunities in the hinterland, and better communication facilities, the question of over-population could be overcome. This will come in time.

It is futile to say that China is "uncivilized" or "half civilized," as some of your readers do, China has her old civilization, and is changing it for a modern version. She had her standards of morality, and is now creating a new set. The only trouble is that the people in high places have not yet learned the meaning of "a perfect gentleman," and never think about "self-respect," in fact, they require education.

The backbone of England has been the middle class, or the gentry. China in the past also had a very good gentry, but lost it. We should create a modern gentry, in other words, a gentleman class, as opposed to political gangsterism or loutism.

China has lost her soul. I call on all English-speaking people to help her retrieve it. China is in the soup; put her in the van.

CHI YU.

Shanghai,
April 5, 1947.

At Rope's End!

To The Editor:

I am one of many government employees suffering privations because of insufficient income. With such low salaries we are hardly able to support ourselves. While prices have risen since the Gold Rush, our salaries have been frozen by the government. It is not fair.

In recent months we have often requested the government to improve our position, but our pleas fall soundlessly and do not reach the government's ears. There is no echo. We human beings can endure no more. We demand a fair and immediate increase in our incomes.

P. C. SUN.

Nanking,
April 3, 1947.

One Sock At A Time

To The Editor:

In the Feb. 22 issue of the *Review* there is a letter from Mr. Lee Yee-yuen questioning a letter of mine which you published some time ago. I appreciate his bravery, but I pity his ignorance. Let me respectfully answer him, thus:

(1) Mr. Lee does not know the condition of the world at present. H. G. Wells concludes his essay on "Freedom of the Press" by saying: "This world of mankind today seems to me to be very sinister and dreadful. It has come to this: I open my newspaper every morning with a sinking heart, and usually find little to console me. Every day there is a new tale of silly bloodshed. I read of anger and hate, oppression, misery and want. It is really a vile world because it is an UNDER-EDUCATED world—unreasonable, suspicious, base and ferocious. The air of our lives is a close and wrathful air." He gave us a true description.

(2) Mr. Lee does not realize the condition of China at present. In his essay, "A Sacred Mountain," G. L. Dickinson writes: "The ugliness of the West is a symptom of disease of the soul. It implies that the end has been lost sight of in the means. In China the opposite is the case. The end is clear, but the means are inadequate. The West talks of civilizing China. Would that China could civilize the West." He knew China even better than our own people.

(3) Mr. Lee does not understand the meaning of science. Ira Remsen said: "Science has for its object the accumulation and systemization of knowledge." but many people in the world know that science is knowledge but not wisdom. Because the latter is not only an intellectual excellence, but a moral excellence

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as well. So, with science the Westerners have improved only their weapons and communications. Warfare in olden days was fought with spears and shields or simple bows and arrows, but now tanks, atomic bombs or other mass-destroying weapons are used. Communication becomes faster every day, from wheelbarrows to carriages to trains and electric cars. But actually things go from bad to worse (the faster the more dangerous), not from good to better.

(4) In regard to returned students, Mr. Lee said that there are sweet as well as sour grapes. But I do not believe this. If they really have knowledge or education, they should go abroad to teach our great doctrines and civilize the West.

(5) In a word, I believe in China. I believe we have many treasure houses of philosophy, morality, literature and other things. The alphabet spread by the Phoenicians is not as good as that invented by our great sage Chang Ji. If the rulers of the most powerful nations realized that from the top officials down to the great mass of the people, all must consider the cultivation of the person—the root of everything—then the world might have peace and security.

(6) Moreover, we remember how many times Britain's ex-Foreign Minister, Anthony Eden, and ex-Prime Minister Churchill said: "After the war the world will still be small." So we must eat, talk, walk, write, enjoy our pleasures and have children slowly. No killing, burning or looting. Follow the advice of 114-year-old Toomkah of Sante Fe, N. M., U.S.A., who maintains that he never washes more than one sock at a time. Why do not all people living in the world today follow this advice and live a long life studying Chinese philosophy literature, morality and poetry? Why should we go to foreign countries to learn kissing, dancing and other material things?

The most important thing is to teach the people that "It is the rule that males and females shall not allow their hands to touch in giving or receiving anything." Make the whole world know it and then there will be peace and security.

I do not know what Mr. Lee thinks about it; but I am a young student and know nothing and say only what I believe. Excuse me if it is not sufficient, and ask me again.

J. H. TANG.

Chengtu, Szechuen,
March 26, 1947.

Bridge The Abyss!

To The Editor:

It is a pitiful thing for the Chinese people that the internal strife has become a serious and cruel civil war, after eight years of life and death struggle against the Japanese.

Any thinking Chinese knows that this is causing a lot of trouble to the people, ruining the glorious success gained from the final victory, and delaying the great task of reconstruction which will modernize our nation.

However, this has not been on the minds of the big shots of the warring parties. With the U.S. withdrawal as mediators in our dispute, and the KMT order for all Communist liaison groups to get out of areas controlled by the KMT, the last ray of hope for peace has vanished.

It seems that there can be no settlement of the conflict between the KMT and the CP, except by force. This is a great shock to both the Chinese people and the friends of China, who looked forward so eagerly to a united and peaceful China.

Recently, the Chinese strongly opposed Molotov's suggestion that the China issue be placed on the agenda of the current Moscow Conference, and our government declared itself against any such discussion.

As I see it, we Chinese people have enough intelligence and ability to settle our own matters. Any international intervention would be recognized as an invasion of our sovereignty. I am convinced that this is right, and that the only rational solution must be found by ourselves alone. But how and when we can put a stop to the friction, is still unknown.

The KMT has made up its mind to suppress the Chinese Reds' bloody rebellion (in the KMT's own words), and has started by capturing the Red capital, Yenan. I don't think that this will remedy the situation, because a party like the Chinese Communists has its own army and has been struggling for its principles for many years. Such an army will not be easily conquered. Conversely, dire consequences will result in the long run, as disaster comes to the people and bloodshed and fighting are prolonged everywhere.

Under such circumstances, if neither party will cease fire, even the all-round government re-organization will be of no use to us. What we must do is to find the key to stop this suicidal policy being pursued by both parties.

As I see it, the first thing we must do to bring the hostilities to a satisfactory settlement, is to arouse the peoples' attention and let them set up a power which will force every party to serve in the real interests of the people. Furthermore, any friendly and fair mediation must be made welcome in order to settle our problems as soon as possible.

We can remain silent no longer! There seems to be no advantage to be gained from reticence at such a time as this. To us the unification and peace of our nation are the only real causes worth working for, worth fighting for and

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worth dying for. Let us set up a bridge across the abyss between the two contending parties, as it is only through the conciliation and cooperation of the two, that China will begin her brilliant future.

Times are getting tough, and things are going wrong now. This is the decisive moment. China's destiny depends upon those Chinese people who still have a strong sense of justice, a deep love of truth, and a great loyalty to freedom.

CHANG CHIN JAN.

Nanking,
April 7, 1947.

Inquisition Needed?

To The Editor:

I wish to thank you for the kind expressions contained in your letter of March 8. I am sure that you are a worthy successor to your late father.

I want to congratulate you again for your courageous and sagacious editorial "The New U. S. Policy," printed in the March 22 issue of the *Review*, and I wish that you would send a complimentary copy of that issue to President Truman for his information.

It is not the correctness, but the wisdom of the new United States policy, that makes every clear-minded wellwisher of world harmony tremble like jelly at this moment. As Mr. Elliott Roosevelt in his book "As He Saw It" says in conclusion: "American custom and tradition dictates that the military shall not control the destiny of the nation." We in China also have a saying "Crows are black the world over."

I wish that President Truman would use a policy of "inquisition" to throttle the march of communism throughout the world, and succeed in overturning some of the historical imponderables for the benefit of your country and mine and the rest of mankind.

When I think of China's foreign policy, assuming China to be as "shipshape" as the U.S., I suffer a slight failing of the heart, because if and when the U.S.S.R. becomes openly one-sided, what then? Probably World War III with China the initial battleground. So the only role left for China is to bridge over the U.S.-U.S.S.R. discrepancies now, and any other X-U.S.S.R. clash, because China needs at least half a century of peace in which to restore herself and recover from the damage caused by her civil strife.

Let us hope that better things are in the offing, or the fate of one will be the fate of all. With every good wish for your courage in dispelling the zero hour darkness in this God-forsaken world.

S. Y. LIVINGSTON HU.

Chungking,
March 29, 1947.

Conscription

To The Editor:

Here in this secluded small town, things suddenly took a turn for the worse the other day with the sounding of the first air raid alarm since V-J Day. Immediately after the all-clear, we were informed by local government officials that Communist planes had bombed a country town north of Peisuai, 50 li due north of Pucheng, and that two primary schools had been destroyed.

Last night, about 11 p.m., I heard my name being called outside my window. I instantly recognized the voice of a relative, and jumped out of bed to see what the trouble was. She came in, tears rolling down her cheeks, and asked if my father could help secure the freedom of her husband who had just been taken away as a recruit, and was to leave with 800 others for Hancheng early the next morning.

Her husband was the only son of the family. A few weeks ago, the order came

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that every pao must send a certain number of men to receive a month's military training. They were to train one hour in the morning so as not to interfere with their regular work (What a benevolent government!).

The day before yesterday, the training period expired, but yesterday another order came to the effect that a general review would be held in the drill compound. After the review the trainees could return to their homes. My relative waited with her mother-in-law, but her husband did not return. She inquired of some well-informed neighbors and was greatly surprised to learn that her husband would not be returning for a long time as he would go to fight tomorrow.

This morning I heard many people say that the newly-trained men had been organized into a new regiment which will be sent to Hancheng this afternoon. The recruiting depot is now crowded with fathers, mothers, wives and children stamping their feet, crying and demanding the return of their relatives. What a scene! They were threatened by an officer, who said he would shoot whoever dared step inside.

Another relative has just called saying that no one had dreamed that things would come to this pass. "The government has cheated us!" He says that when the next training period comes, no one will be foolish enough to go, no matter what the government guarantees. The government will probably blame the Communists for this!

I do not understand their actions, and perhaps they do not wish to be understood, and yet the government is always wondering why the people do not love it, and are not willing to die for it.

P. Y. WANG.

Pucheng, Shensi,
March 18, 1947.

"G. I."

To The Editor:

I should like to give a further explanation to Mr. Tu's questions which you answered in the March 29 issue of the *Review*.

The term "G.I." originated from the movie films issued by the U.S. Government, called "Government Issue Movies," or "G. I. Movies." Likewise the soldiers who had everything issued by the government, are called G. I.s. Furthermore, when an American soldier says "I've got the G. I.s," he means he is suffering from abdominal disturbances.

The technical name for "bazooka" is "Rocket Launcher," which is self-explanatory.

A VETERAN.

Shanghai,
April 7, 1947.

Skyscrapers & Peace

To The Editor:

In the March 8 issue of the *Review* you published a letter from Mr. Lao Yuan-sheng in which he opposed my opinions, and pretended to say that he had no intention of stepping into an argument with me. Allow me to show you his three weak points:

He said: (1) "....we have no skyscrapers here....China, as a nation, is still far from being civilized....;" (2) "Mr. Lee wrote that 'China is behind in every branch of modern science,' which I admit to be generally true;" (3) "through the sacrifices and industry of past generations, we have left barbarism behind and are now on the path to a ....civilized way of life."

I do not wish to argue with Mr. Lao, but I should like to cite some old and modern sayings and submit them to him for comment. With regard to skyscrapers: (1) Yang Hoo said: "He who

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seeks riches, will not be benevolent, and he who wishes to be benevolent will not be rich."

(2) Philosopher Tsing said: "The wealth of Tsin State and Tsoo State cannot be equalized. Let their rulers have their wealth—I have my benevolence. Let them have their nobility—I have my righteousness. Wherein should I be dissatisfied or inferior to them?"

(3) Confucius said: "The scholar who cherishes the love of comfort (in a skyscraper) is not fit to be deemed a scholar." He also said of Ching, a scion of the ducal family of Wei, that "he knew the economy of a family well. When he looked for a dwelling he said "Ha! it is fit." When it was slightly furnished, he said "Ha! It is complete." When it was just sufficient for living, he said, "Ha! It is admirable."

(4) My friend, Mr. Lin Hsing, wrote a poem about his dwelling:

If one's heart is at perfect rest,
Then with peace is one's body blest.
If heart's and body's peace is clear,
Whose business then to interfere?

* * *

Who says our body is small in size?
It solid rests as Tai Mount lies.
Who says my house is small or worse?
When it is wide as the universe.

(5) Thomas Jefferson upon the occasion of his sister's wedding, wrote: "You have seen enough of the different conditions of life to know that it is neither wealth nor splendor, but tranquility and occupation which give happiness."

(6) Recently in Moscow, when General Marshall lectured on American Democracy he said that individuals should develop their minds and souls; that people should be free to express their beliefs and condition without fear.

Mr. Lao said that "we have left barbarism behind," but I insist that China is the most civilized country in the world today. She is a state of superior men and sages.

The present civil war is stirred by U.S.S.R. Reds who are as fierce as hungry tigers, and cruel as rapacious wolves. But though we are peace-loving people, we are totally unequipped militarily and have been attacked and disgraced many times; we still do not worship power and money; but one day we shall have tranquility and time to study our philosophy, literature and ethics, and then we shall be happy.

TANG JE-HSIEN.

Chengtu, Szechuen,
March 30, 1947.

Extremes

To The Editor:

There are always two extremes, which our old philosophers called "Tai chi." In mathematics we have numbers positive and negative; in magnetism, points north and south; in politics, imperialism and liberalism, nazism and democracy; in economics, capitalism and communism; in general, brightness and darkness. This we call relativity.

There seems to be no end to these pairs of extremes. If one of a pair disappears, the other will soon break into two new ones, between which strife will continue to occur. We cannot say which one is absolutely right. They must co-exist or die simultaneously.

We are unable to say it is bright, if there is no darkness. If we are not sick, we do not think health is valuable. If we are able to live easily, we cannot recognize the sweetness of peaceful living.

It is then meaningless to condemn darkness. On the contrary, we must praise darkness, since it is capable of making the bright seem brighter. We must love darkness, because it is able to compel brightness to radiate. We must thank darkness, for it is able to awake the masses.

The darker our environment, the more we thirst after brightness. The more people awakened, the sooner the bright future. We are hopeful.

CHOU CHI-CHENG.

Ningpo, Chekiang,
March 30, 1947.

Blood Bath

To The Editor:

I have read the article Taiwan's Blood Bath in the March 29 issue of the *Review* with deep emotion. I think your contribution is one of the foremost authentic reports and just reviews on a notorious deed of brutality, committed by the basest gang of bureaucrats and militarists towards an unarmed mass.

It has often been said that Taiwan is a testing ground for the present take-over "government," and now iron facts are being revealed gradually, and the vivid ugly face of the ruling clique is seen by everyone who seeks truth.

I hope to see more enlightened words of truth and fact in your *Review*.

P. S. Y.

Chungking,
March 31, 1947.

Name & Address, Please!

The China Weekly Review will not publish anonymous letters: all communications intended for publication must bear the name and address of the sender, which at all times will be treated as confidential.

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Vol. 105 Shanghai, Saturday, April 12, 1947 No. 7

Nanking Should Act

IT has been more than a month since the Taiwan riots began and it has been just a month since Governor-General Chen Yi butchered at least 5,000 Taiwanese when his troops arrived from the mainland to put down the rioters.

News of the Taiwan blood bath has been reported in papers throughout the world. The American Embassy at Nanking has detailed eyewitness reports of Chen Yi's atrocities from its own foreign service officers in Taiwan. UNRRA is in possession of similar eyewitness accounts. The National Government at Nanking is in possession of a thorough report made by Minister of National Defense General Pai Chung-hsi. The mess that the Central Government has made of its most valuable possession gained from the war is common knowledge. There is no longer any valid reason for inaction, the greatest atrocity of the postwar world can no longer be covered up or ignored.

The longer Nanking hesitates, the more truth there is in the editorial comments of the *Washington Post* which last week said: "What is happening in Taiwan disposes of China's case for consideration as a responsible world power even more than her disintegration into civil war....

"In the coming peace negotiations record, it should be taken into account by the peacemakers either to transfer the case to the United Nations or to withdraw the island from China."

Those are pretty strong words; a bit too strong, we think. Last week we said that Taiwan obviously is geographically and historically a part of China and in the future must remain so. This we still believe, but it is apparent that some people in the world do not agree with us. The longer Nanking procrastinates, the better chance there will be of other nations bringing up the question before signing the peace treaty with Japan.

If nothing else it will be a tremendous loss of face for Nanking if China is questioned in future United Nations meetings about its handling of territory taken over from the enemy. It would be a loss of face because the mere raising of the question implies that China has been more repressive in its rule than the Japanese barbarians. Think what China's dignity will suffer if irrefutable proof (it exists) of medieval behavior on the part of the Chinese Government is officially revealed to the world.

The reasons why Nanking has failed to act are not difficult to determine. Internal politics and personal "face" are involved. Nanking may continue to play this type of politics — as the Chinese capital has done for the last several centuries without much change — if it wishes. However, when internal politics have external repercussions, it is best to view the matter from some position other than the traditional one. Internal "face" may be saved, but external possessions and external benefits, such as loans, may be lost.

Some time ago, when it became evident that the so-called Political Science Clique—the group many people think General Marshall was referring to in his China statement when he said hope laid with the liberals within the Kuomintang—was going to play an important part in the reorganized government, certain reactionary elements began launching attacks upon the Political Science Clique. First concrete evidence of this was a steady stream of attacks in the CC Clique controlled *Ta Kang Pao* in Nanking, culminating in the paper's closure by the Government (reputedly on Generalissimo Chiang's personal orders). The paper was "reorganized" and has since resumed publication.

When the Taiwan story broke, criticism—sparkplugged by the CC and other conservative groups—became loud and bitter. The Kuomintang's Central Executive Committee censured Chen Yi and it took the Generalissimo's personal intervention to quiet it. Chen Yi, of course, is one of the old pillars of the Political Science Clique.

Thus we have Generalissimo Chiang and other moderate elements in Nanking defending what is considered the moderate or liberal Political Science Clique from attacks by the CC Clique and other right wing elements. In the midst of this situation, Chen Yi began his Taiwan blood bath. The Nanking political situation then became almost ludicrous with the moderates defending the other moderates, among whom old warlord Chen Yi incongruously moves, from attacks by the reactionaries. The reactionaries, in their new role as regards Taiwan became "champions of justice and enlightenment," while the moderates—as far as Chen Yi's Taiwan administration is concerned—became the "defenders of corruption and repression."

In short, everybody suddenly ended up on the opposite side of the fence.

Apparently Generalissimo Chiang and others in the National Government who want to get the reorganization accomplished speedily and smoothly feel that it must be done with the Political Science Clique and that any disciplinary action against Chen Yi now would weaken the position of the Political Science group. Therefore, Chen

Yi is given face by being maintained in office for the time being.

We suppose that such illogical political involvement and intrigue may be clearly understood in China and, possibly, may not create much of a stir. However, the outside world is not used to such goings on and more than likely cannot understand why Chen Yi and his whole administration, along with National Government policy toward Taiwan, has not been changed. The delay may prove the wisest move internally, but Nanking should not lose sight of the fact that each day's delay deepens the impression of disgust and suspicion abroad.

Yes, Daddy!

The Government has welcomed other parties and factions to cooperate with it. This, as Dr. Hu Shih has well said, is unprecedented in history, and can be said to be the creation of the "Chinese type party politics," namely, a new type of party politics whereby "one party leads a number of other parties in cooperating with one another." This can be said to reflect China's big family system. From the standpoint of Chinese traditions, this is a real democratic spirit and a real enlargement of the Government.—*Ho Ping Jih Pao, April 5, 1947.*

This new spirit, likewise, reflects the time-honored Biblical precept of "honor thy father and thy mother."

Teachers' Salaries

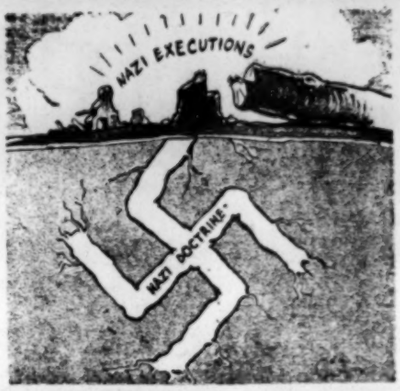
PROFESSIONALS dependent upon the Government for their salaries may with good reason be enumerated among the victims of civil war. According to an article contributed from Nanking where conditions are favorable compared to less metropolitan areas, the average real income of the military, educational and official classes is estimated to have 14.4 percent of its pre-war purchasing power. Our contributor mentions CNC$346,000 as a reasonable monthly income for an official. According to the official rate of exchange, that is less than US$29.

According to a letter from a rural schoolteacher for Kansu who is forced to discontinue his subscription to the *Review* for financial reasons, the teacher's monthly salary amounts to CNC$200,000. "Everybody in the country is crying out: 'Education first!' and yet, de facto, education runs last on the list. The economic conditions of rural education are more serious than most people in other parts of China realize. In some districts even such a small sum as I have mentioned cannot be paid on time for many months."

In Nanking a number one houseboy can expect to earn CNC$220,000 in a foreign household. The number two boy earns CNC$200,000, or the same salary as the country schoolteacher. In Shanghai an office coolie's wages are CNC$375,000 — or CNC$175,000 more than the country schoolteacher's salary and CNC$29,000 more than the Nanking official's. An artisan, such as a printer, may earn CNC$475,000, more than two and a third times the pay of the schoolteacher, and CNC$129,000 more than the Nanking official's.

According to our Kansu correspondent, "If I were able to choose again, I would rather be a beggar on the streets of New York, or a rascal in Shanghai, than be highly educated and suffer the fate of a rural schoolteacher."

BACK WITH SPRING?



We agree. Chinese scholars are probably the most highly revered and worst fed in the world. Although "Man does not live by bread alone," he cannot live without it.

In Western countries higher learning is the road to a fuller life; in China it leads to certain penury. Unless the scholar has an income from other sources he may look forward to a life of hunger and diseases resulting from malnutrition. If he does not develop tuberculosis he will probably contract trachoma and lose his eyesight. His energies must be devoted primarily to the struggle to keep himself and his family alive. His intellectual pursuits can be little more than an escape from the exigencies of somehow wrangling his daily bread.

While schoolteachers in the United States are underpaid, the idea of their actually going hungry is inconceivable. In Western countries, as a rule, the man who devotes a portion of his time, energies and resources to learning acquires greater earning power. The student starving in a garret is the romantic exception to the rule; he may look forward after the long hard pull to eventual recognition. In China today the starving student or professor is far from an exception. He is the rule.

How can China look for salvation to her educated citizens if they are suffering from malnutrition and must strain every faculty to keep body and soul together? How can she expect tempered judgment from men who are suffering physically and can look forward to no relief? How can their minds continue to function efficiently when their bodies are weak and they are shut off from outside knowledge in a small country town; when they cannot afford even a newspaper with which to keep up with the world?

For what is the Chinese civil war being fought if all that China reveres is meanwhile dying a death of attrition? Surely the Government can spare the funds to keep those who would serve the country faithfully alive through these difficult times. What kind of lesson will China's children learn from men embittered, exhausted and broken in a losing battle for survival?

Court Behavior

ONE of the more interesting and revealing aspects of the current Mysberg Case has been the behavior in court of the Woosung-Shanghai Garrison representative, a Colonel Chang Ya-ming, who is the head of the economic section of the Garrison, and who has on at least two occasions behaved in an intimidating manner toward the defense and toward observers at the trial, while throughout the proceedings he has interrupted the court whenever he pleased, totally ignoring normal court procedure. Wearing his army uniform, he apparently escaped being cited for contempt only because the court was afraid of displeasing the military.

Col. Chang, representing the Garrison, has acted much in the manner of a second prosecutor in the trial. On numerous occasions, when the defense, witnesses, or others made statements which displeased him, he jumped to his feet and interrupted the normal court processes with speeches airing his views about the subject under discussion or various other aspects of the trial.

Toward the close of the second hearing of the case, on April 3, Col. Chang arose as Dr. D. S. Chen, defense council, finished speaking and, addressing the court and Dr. Chen said, "I do not understand the meaning of your questions but I suppose that they may have some legal significance. However, a patriotic Chinese would not carry on the defense of a foreigner who has been violating Chinese law."

In any American court anyone—let along a military man in uniform—who delivered himself of such a speech, obviously intended to intimidate the defense council and the court, would have been cited for contempt of court on the spot. The court, however, did nothing and the hearings proceeded as soon as Col. Chang had finished.

At a subsequent session of the court, Col. Chang told an observer that Dr. Chen, by defending this foreigner, had become a traitor to China!

Such actions would never be tolerated in any country where the courts occupied their proper position. According to the present laws of the Republic of China—not to mention the recently passed democratic constitution which will become effective on December 25 of this year—the courts are supposed to be independent. However, the courts can never become truly independent and no individual can ever be sure of impartial justice as long as China's military are allowed to behave in such fashion.

In Behalf of Hope

From the Arkansas Gazette.

If it's darkest just before the dawn, the sun will pop up anytime now.

The New Loans

THE Chinese Government's new internal loans appear to be the most rational financial move Nanking has made for the past several months. From reports of sales during the first week, it would appear that the issue will be subscribed fully.

The method of financing the loans seems on the surface to be sound and, if the Central Government is able to survive the present economic, social and military crises, investors' funds should be reasonably safe.

The 36th Year U.S. Dollar Bonds, of which US$100,000,000 will be issued, are to be paid for in American or other foreign currency, or in gold bars.

Payment may be made with funds held either in China or abroad. The announced purpose of this loan is to secure foreign exchange. The issue is for 10 years, redeemable in 20 installments by semi-annual drawings. Interest will be six percent per year, with payment every six months.

The 36th Year Short-Term Treasury Notes, which are designed primarily to encourage savings and stabilize the currency, will bear 20 percent interest per year, with interest payments made every six months. The issue will equal US$300,000,000 at the present official exchange rate of CNC$12,000 to US$1.

While the Treasury Notes are also issued in terms of U.S. dollars, they actually will be bought and redeemed in Chinese National currency. Repayment of interest and principal will be calculated at the U.S. dollar's official exchange rate so that investors will be protected from further depreciation of Chinese National Currency.

The matter of security—always a prime point in dealing with Chinese Government loans—is perhaps not as definite as it might be. The U.S. Dollar Bonds are to be secured on the foreign exchange assets now held by the Central Bank. It has been our impression that this was one of the Central Bank's difficulties and one of the reasons for issuing the Bonds. It is generally believed that the Central Bank has no foreign exchange, or at least hardly enough to matter. In order that investors fears may be calmed, the Government should give the public some explanation upon this point.

The Treasury Notes are to be secured upon "certain units of Government productive enterprises and enemy and puppet properties which will be designated for this specific purpose by the National Government." When these properties are eventually sold to the public, the proceeds will be used for servicing the loans. Clarification is needed on this point, too. The Government holds a great number of such "productive properties," but which ones will it earmark for servicing the loan? Unless such information is made public there is no way for the investing public to know just how well their money is to be secured, whether it is to be secured on valuable, going concerns or on several smaller, perhaps even inactive, factories taken over from the Japs and puppets.

One of the better features of the plan is the provision for the establishment of an "independent Sinking Fund Commission, designed to represent and safeguard the interests of the bondholders. The Commission is to be entrusted with the custody, control and disbursement of the sinking funds. Its powers and functions as laid down in the regulations may not be altered by the

Government before the final retirement of the loans."

If the Central Government sticks by the last sentence of the foregoing regulations, all may be well and good. However, we have seen all too many times how the Government's policy can change overnight when there is a shuffling of official posts.

The loan plan is obviously sound and on the whole undoubtedly will inspire confidence among the members of the investing public. However, since many prospective purchasers have been stung before on Government financial activities—all the way from buying war bonds which later became worthless, to the commonplace collection of taxes in advance so that now some areas are scores of years ahead—more than the usual assurances of good faith are needed to make this loan scheme a complete success.

Peace on Earth

At this very moment our soldiers are reestablishing peace in Indo-China, giving evidence of honor, courage and devotion.—*General Charles De Gaulle, speech on April 7, 1947.*

Just the old Christmas spirit....

General Pai's Denial

GENERAL Pai Chung-hsi, at a press conference in Nanking this week, denied the accounts of the Taiwan atrocities as published in the *Review* during the past two weeks. General Pai's only specific denial was the *Review* statement that he personally had closed the *Ho Ping Jih Pao* in Taichung. Later, he denied in general all charges of repressive measures as listed in the *Review*.

Obviously, neither story would have been written, let alone published, if we had not been completely satisfied that they were true in their entirety.

The Taichung edition of the *Ho Ping Jih Pao* (*Peace Daily*) was closed following General Pai's visit to the city. This paper, which has editions throughout China, is the mouthpiece of the Ministry of National Defense. During the war it was known as the *Sao Tang Pao*. The editor of the *Review*, along with two other American newspapermen, was calling upon the editor of the paper when the troops arrived and closed it. These three newspapermen, having just finished interviewing the paper's staff, were standing on the sidewalk with the editor and several employees posing for a picture when the troops walked right through them and into the building. They sealed the paper and posted a notice saying that it was being "reorganized."

That same evening the vice commander of the National Government troops stationed at Taichung told the editor of the *Review* that he had closed the paper because it had been learned that communists were in control of it. He further said that his instructions came from the very top.

Representatives of Governor-General Chen Yi, when questioned later in Taipeh about the closure, said that they had been wanting to close the *Ho Ping Jih Pao* for some time but that they "had to wait until General Pai arrived and gave his consent."

Perhaps Pai is technically correct in maintaining that he did not issue a formal order for the closure, but he at least knew of it beforehand and, not only did not raise any objections, but "gave his consent." General Pai, it would seem, is splitting hairs on this point.

Since publication of the account of the Central Government's cruel repression in Taiwan, we have discovered nothing that would cause us to change our opinion, or to modify any of our statements. On the contrary, reliable reports reaching Shanghai state that reprisals were still being carried out as late as the first of this month. In addition, letters written by Taiwanese to friends and relatives here corroborate our published stories.

Hongkew's Hooligans

THEIR happy hunting grounds along the Hongkew waterfront apparently no longer profitable, some gangs of Hongkew hooligans have decided to inflict their unwelcome selves upon the Blood Alley sector of Chung Cheng Road and for a fortnight or so now have annoyed both service men and civilians who frequent the night clubs and bars along Chu Pao San Lu.

These seemingly homeless toughs prey both on those who have imbibed more freely than wisely as well as on those owner-drivers whose cars are parked outside such establishments. Patrons of taxis, pedicabs and rickshas likewise come in for a share of these *pih san's* attentions, which consist of demanding cumsha for some imaginary service.

In one case three foreigners who had entered a taxi were told they would *have* to hand over CN$2,000 cumsha "as a matter of courtesy." A free-for-all was avoided only by the coolness of one of the foreign trio, who induced his companions to outwait the gang of seven or eight ruffians that had encircled the taxi and held open its door. In the end the *pih san* slammed the door, cussed the foreigners roundly and shuffled off to seek less stubborn victims.

The attention of the municipal authorities, and in particular of Whangpoo Police Station heads, in whose territory these loafers now operate from sundown on, should be centered on these undesirables both speedily and forcefully.

Contemporary Belles-Letters Department

(Right & Wrong Editorial Policy Section)

The Chengtu Garrison Headquarters wrote a letter to the Democratic League's official organ *Hwa Si Wan Pao*, pointing out that its wrong editorial policy is detrimental to peace and order. In order to preserve peace and order and to accord protection to all partisans, the Garrison Headquarters hoped that the paper would immediately correct its editorial policy so as not to mislead the public.—*Ta Kung Pao, March 4, 1947.*

Over 100 plainclothesmen assembled in front of the *Wuhan Shih Pao*, some 60 of them carrying hammers, knives and clubs, and stormed the office and destroyed everything therein. A few others took control of the telephone and smashed into pieces the glass door at the main entrance. The printing machines and type were also damaged.—*Ta Kung Pao, March 4, 1947.*

The Chengtu *Hwa Si Wan Pao* should no doubt reflect deeply on its behavior and examine its editorial policy with due haste.

Understanding China

WE recently read an article in the *Century Critic Weekly* which claimed that America and Americans failed to understand China. This is true, the author says, because the Americans object to the increasing totalitarian trend of Chinese economy. If the Americans really understood the situation, they not only would not object, but would heartily approve and, what's more, would readily provide the necessary funds for the erection of a corporate state in China.

While the author makes some very sound observations, especially in pointing out that Americans are wrong in assuming that industrialization and modernization the world over must follow the same pattern as was followed in the United States, his article on the whole is an apology for the present Kuomintang policies which will lead only to ruin.

He points out that in China the government must enter many fields because private capital will not. This is true so far, but he fails to point out the reasons why private capital today steers clear of so many fields which ordinarily are profitable. The unsettled conditions, both political and economical, make investors hesitate. Further, there is good evidence that once a private firm establishes a profitable, productive enterprise, the government immediately muscles in, either through prohibitive taxation, hastily promulgated laws restricting the firm's activities or, sometimes, outright confiscation. The end result is the same. The firm either goes out of business or takes in the government as partner.

One paragraph, which makes it quite evident that the author either does not understand what he is talking about or is deliberately trying to cover up for the Kuomintang, says:

"However, plain speaking compels us to state that in theory we Chinese do not favor the ultra-capitalism of the American type. It is our belief that the fruits of the development of China's natural resources must be enjoyed by the people as a whole instead of being monopolized by a small number of money kings or captains of industry."

It has been our observation that nowhere in the world are more small "capitalists" to be found than in China. While not many succeed, virtually all, from the ricksha coolie on up, profiteer when they can and, when possible, go into business. Further, with the exception of the Japanese Zaibatsu, we do not think there is another country in the world where so much of the nation's wealth has been concentrated in the hands of so few. The idea that the people as a whole are to benefit from the nation's wealth is just an opium dream. In "ultra-capitalist" America there is now a much greater levelling process through taxes, both corporate and individual, than will probably ever occur in China.

The author then launches into a long discussion of Dr. Sun Yat-sen's precepts and draws the conclusion that China is a socialist country and that the government should openly tell the world this fact, instead of trying to obtain loans from America by pretending to favor American-style capitalism. While we don't pretend to be students of Dr. Sun's principles, we imagine that the founder of the republic, when he spoke of the people's livelihood, did not have in mind "improving" it by establishing giant, profiteering, government corporations like some in existence today.

If China's government were really socialistic in nature, the country probably would be in a better position to obtain foreign loans than it is. America granted socialist Britain a loan and has even indicated a willingness to discuss a loan with communist Russia. It is bureaucratic China, where the government drives private firms out of business in order to take over all profitable lines for the enrichment of the regime, rather than for the improvement of the people's livelihood, that is having difficulty in obtaining a loan.

25 Years Ago In Millard's Review Of The Far East

Medieval Mind

April 15, 1922.

The ratepayers of Shanghai are to consider whether or not the press and the publishing business of their city is to be licensed, by way of the process of registration, on April 19.... If this registration comes to a successful culmination, successful from the standpoint of the Municipal Council of the International Settlement which proposes it, there will be a distinct indication of a return to the medieval mind which feared the printed page and sought to curtail its activity by a system of licensing—for licensing and registration seem to be interchangeable in the present usage.

* * *

History

"....The first European ship to touch the coast of China was early in the sixteenth century. In the year of 1784 the first American ship visited China. This ship was the *Empress of China* and it carried a cargo of ginseng. Upon this ship as a passenger was a man named Major Shaw, who carried with him a commission from George Washington, as Consul and Commercial Agent of the United States Government at Canton, China."—*Dr. S. K. Alfred Sze, Minister to the United States.*

10 Years Ago In The China Weekly Review

Bank Of China

April 10, 1937.

The annual report of the Bank of China, presented at the meeting of shareholders in Shanghai April 3, by T. V. Soong, chairman, disclosed that a net profit of (CNC)$2,719,579 had been made during the year. The total deposits of the bank amount to (CNC)$1,064,271,746.12, an increase of more than two hundred million dollars over the previous year. The new national monetary system has worked more successfully than even its advocates had anticipated, the report stated. Exchange stability, which was the first objective of the new policy, has been maintained throughout the year to a degree previously unknown in China. Agriculture had a good year, it was pointed out, while industry has also continued to move forward.

* * *

War Games

The recent maneuvers of British troops in the Far East involved 30,000 troops, 50 war vessels and over 300 fighting planes. The approximate cost was 10,000,000 sterling. The two main stations were Singapore and Hongkong. The plan of the British Far Eastern Maneuver was built upon supposed concerted attack by an imaginary Power on or bordering the Pacific, without warning, on British possessions in the Far East ....According to Lt.-General Bartholomew, who commanded the defending forces, the position at Hongkong was impregnable for practical purposes.

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CHINA'S LAND LAW

(Revised and Promulgated by the National Government on April 29, 1946)

FIRST SECTION: General Provisions

CHAPTER I.

Legal Provisions and Definitions

ARTICLE 1. The term "land" in this Law refers to water, land, and natural resources.

ARTICLE 2. Land shall be divided, in accordance with its utilization, into the following classes:

Class 1. Architectural land, such as residences, government buildings, public buildings, schools, factories, godowns, parks, amusement centers, public organizations, temples, churches, city walls, military barracks, fortresses, ports, wharves, air bases, cemeteries.

Class 2. Land utilized for direct production, such as farms, forests, fishery areas, pastures, game reserves, mines, salt beds, water sources, and ponds.

Class 3. Land utilized for communications and conservancy, such as highways, sewers, canals, bogs and lakes, bays, coasts, and embankments and dykes.

Class 4. Other kinds of land, such as deserts and snow-capped mountains.

The various classes of land referred to above may be divided into sub-divisions.

ARTICLE 3. Unless otherwise provided by law, the present Law shall be enforced by land administrative organs.

ARTICLE 4. "Public land" in this Law refers to land owned by the State, a province, a municipality, or district (hsien), or a village, or market.

ARTICLE 5. "Improvements" consist of two classes: architectural improvements and agricultural improvements. Buildings or structures are architectural improvements; crops, and other plants, irrigation and soil improvements are agricultural improvements.

ARTICLE 6. The term "self-cultivation" in this Law refers to the tilling of land undertaken by (the owner) himself; the cultivation of land directly for the maintenance of the livelihood of the whole family (of the tiller) shall be considered self-cultivation.

ARTICLE 7. The term "land debentures" in this Law refers to debentures issued by a Land Bank in accordance with law.

ARTICLE 8. The term "absentee landowner" in this Law refers to a landowner under any of the following conditions:

(1) Where the land-owner and his family have left the locality of the land concerned for three years continuously;

(2) In the case of land under joint-ownership, where all the joint owners have left the locality of the land concerned for one year continuously; and

(3) In the case of land owned by a business corporation, where the corporation has suspended operations in the locality of the land concerned for one year continuously. The provisions of the preceding paragraph shall not apply in the case of a landowner who left the locality of the land concerned on account of military service, school training, public service, natural catastrophe, or political upheaval.

ARTICLE 9. The Enforcement Law for this Law shall be separately enacted.

CHAPTER II.

Land Rights

ARTICLE 10. Land within the territory of the Republic of China belongs to the whole body of the citizens of the Republic of China, and such portions the ownership of which has been acquired by citizens in accordance with law shall be private land. Private land, the ownership rights over which have ceased to exist, shall become state-owned land.

ARTICLE 11. The creation of rights other than ownership over land shall be subject to the provisions of the Civil Code.

ARTICLE 12. When private land, due to natural changes, has been turned into lakes, bogs, and navigable water-courses, the ownership rights shall be considered to have ceased to exist. When land referred to in the preceding paragraph reverts to its original condition, the original ownership shall be restored on the production of original documents of ownership and evidence thereof.

ARTICLE 13. When additional land naturally accretes to a lake, bog, navigable water-course, or coastal area, due to natural changes in the lie of the water, the owner of the land adjacent shall enjoy preference in acquiring according to law ownership or the right of beneficial usage.

CHAPTER III

Restrictions of Land Rights

ARTICLE 14. Land included in the undermentioned categories shall not be privately owned:

(1) Land within a specified limit of the sea-coast;

(2) Lakes and bogs formed by nature and needed for public use, as well as land within a specified limit of their banks;

(3) Navigable water-courses and land within a specified limit of their banks;

(4) Water-courses and lakes and bogs within cities and market towns, and land within specified limits of their banks;

(5) Highways used for public communications;

(6) Mineral springs;

(7) Waterfalls;

(8) Water sources for public use;

(9) Scenic and historic spots; and

(10) Land otherwise prohibited by law to be owned privately. Where land included in the above-mentioned categories is already privately owned, it may be expropriated by process of law.

ARTICLE 15. Mineral deposits shall not become private property through the acquisition of ownership of the land concerned. Mineral deposits referred to in the preceding paragraph shall be limited to such classes as are provided in the Mining Law.

ARTICLE 16. The National Government may stop transfer of, creation of an encumbrance on, or lease of the ownership of, private owned land when it considers such acts prejudicial to national policy.

ARTICLE 17. Land included in the undermentioned categories shall not be transferred, encumbered, or leased, to a foreign national:

(1) Agricultural land
(2) Forest
(3) Fisheries
(4) Pasture
(5) Game reserves
(6) Salt beds
(7) Mines
(8) Water sources
(9) Forts, garrison areas, and land on territorial borders.

ARTICLE 18. The acquisition of land rights in the Republic of China by a foreign national, or the creation of an encumbrance on land in favour of a foreign national, shall be restricted to a foreign national whose own country has entered into an equal and reciprocal treaty with the Republic of China, provided that the laws of that country permit the enjoyment of similar rights by a citizen of the Republic of China.

ARTICLE 19. A foreign national, for any one of the undermentioned purposes, may lease or purchase land, the area and location of which shall be subject to the limitations imposed by the local municipal or district government in accordance with law:

(1) Residence
(2) Business premises or factories
(3) Churches
(4) Hospitals
(5) Schools for foreign children
(6) Diplomatic and consular establishments, premises for public welfare organisations.
(7) Cemeteries.

ARTICLE 20. A foreign national leasing or purchasing land in accordance with the needs referred to in the preceding Article shall apply, jointly with the original owner of the land, to the competent municipal or district government for approval. Where there is a change of usage to purposes other than any one provided in the preceding Article, or a transfer of land covered by the preceding paragraph, application shall be made to the competent municipal or district government for approval. The competent municipal or district government, on giving approval to cases referred to in the two preceding paragraphs, shall submit reports to the Executive Yuan through its superiors.

ARTICLE 21. A foreign national engaged in an industrial enterprise which has been specially authorised by the National Government in accordance with the relevant legislation, may purchase or lease land in accordance with practical needs. The extent and location of land referred to in the preceding paragraph shall be determined by the central competent authority governing such enterprise.

ARTICLE 22. A foreign national leasing or purchasing land in accordance with the preceding Article shall submit for examination by the local municipal or district government the certificate of approval issued by the competent central authority, with a request for assistance in making the lease or purchase. The municipal or district government concerned shall also report the case to the Executive Yuan through its superiors.

ARTICLE 23. Land leased or purchased by a foreign national for a specially authorized enterprise shall not be utilized for a purpose other than that approved, unless special permission has been obtained for the change in the enterprise. In the event of the suspension of operations for reasons stated, the land shall be re-

claimed by the Government at the original price.

ARTICLE 24. A foreign national having leased or purchased a piece of land shall, after due registration, enjoy the rights and bear the obligations according to the relevant laws and ordinances.

CHAPTER IV
Public Land

ARTICLE 25. Without the concurrence of the local body representative of public opinion and the approval of the Executive Yuan, a provincial, municipal, or district, government shall not dispose of, create encumbrance upon, or lease for a term exceeding ten years, public land under its jurisdiction.

ARTICLE 26. Government organs of various grades requiring public land shall apply jointly with the local competent municipal or district government to the Executive Yuan through their superiors for approval and appropriation.

ARTICLE 27. Income from public land under its jurisdiction shall be included in the budget of the relevant provincial, municipal, or district government.

CHAPTER V
Readjustment of Land Rights

ARTICLE 28. A provincial or municipal government directly subordinate to the Executive Yuan, may, on taking into consideration local conditions, and in accordance with the classification and nature of land, limit the acreage of private land owned by an individual or a body corporate.

The maximum acreage of private owned land limited according to the preceding paragraph shall be subject to the approval of the central land administrative authority.

ARTICLE 29. When private land is subject to limitations according to the preceding Article, the competent district or municipal government shall adopt measures stipulating a time limit for the sale of excessive land holdings.

Where the provision in the preceding paragraph for the sale (of excessive holdings) is not complied with, the competent district or municipal government may expropriate (such excessive holdings) in accordance with this Law.

The compensation for land expropriated according to the preceding paragraph may be paid in part with Land Debentures with due consideration to prevailing circumstances.

ARTICLE 30. A transfer of ownership of private agricultural land shall be made only to a transferee in a position to cultivate the land himself after the transfer.

ARTICLE 31. In respect of land within its jurisdiction, a municipal or district land administration organ may, on taking into consideration local economic conditions, and in accordance with the nature and the classification of usage, decide on a minimum area unit, and prohibit the further sub-division of such a unit.

A decision referred to in the preceding paragraph shall be subject to the approval of a higher authority.

ARTICLE 32. A Provincial or municipal government directly subordinate to the Executive Yuan may limit the highest liability incurrable by farm land owned by a self-cultivating farmer, and report such a limit to the central land administrative authority for record.

ARTICLE 33. In respect of land tilled by tenants satisfying any one of the undermentioned conditions, the tenant farmer, having tilled it for eight years continuously, may apply to the competent district or municipal government to buy it over on his behalf:

(1) Where the land owner is an absentee.
(2) Where the land owner is not a self-cultivating farmer, with the exception that aged, senile, orphaned, widowed, or crippled persons, and educational, charitable and public welfare organisations depending on the land for the maintenance of their livelihood, may be exempted from having their land bought over at the reported price.

ARTICLE 34. Governments of various grades, requiring land for the purpose of creating self-cultivating farms, may, with the approval of the Executive Yuan, expropriate (land) in the following order of priority, and pay for such land with land debentures:—

(1) Privately owned waste land.
(2) Land belonging to absentee owners.
(3) Land farmed by tenants, being the portion in excess of the maximum acreage limit under the provisions of Article 28.

ARTICLE 35. The establishment of self-cultivation farms shall be governed by separate legislation.

SECOND SECTION:
Land Register
CHAPTER I
General Rules

ARTICLE 36. Land registers except those which have been revised according to law, shall be revised in accordance with the provisions of this Law.

The procedure for the revision of land registers shall be the survey of land and the registration of land.

ARTICLE 37. Registration of land refers to the registration of ownership and other rights over land and architectural improvements thereon.

ARTICLE 38. Prior to the undertaking of land registration, a survey of land shall first be undertaken.

In localities where the survey of land has already been attended to according to law, the general registration of land in accordance with the provisions of this Law shall be undertaken. General registration of land referred to in the preceding paragraph means the registration of all land within a municipality or district within a stipulated time.

ARTICLE 39. Land registration shall be undertaken by the competent land administration organ of the municipality or district. The general registration of land, however, if warranted by practical needs, may be undertaken by a provisionally established land registration organ in a municipality or district under orders of the provincial land administrative authority.

ARTICLE 40. The revision of the land register shall be effected with a municipality or a district as a unit. Each municipality or district shall be divided into zones, each zone into sections and each section into quarters, serial numbers being compiled within each quarter.

ARTICLE 41. Land included within Article 2, categories (3) and (4) shall be exempted from inclusion in serial numbers and registration.

ARTICLE 42. The general registration of land may be attended to through the division (of the whole district) into a number of registration areas.

A "registration area" referred to in the preceding paragraph shall not be smaller than a zone in a municipality, or smaller than a market town in a district (hsien).

ARTICLE 43. A registration effected in accordance with this Law shall be absolutely effective.

CHAPTER II
Survey of Land

ARTICLE 44. The survey of land shall be conducted in accordance with the following procedure:—

(1) Trigonometrical survey
(2) Traverse survey
(3) Survey by lots
(4) Computation of area
(5) Preparation of plans.

ARTICLE 45. Where the survey of land is conducted by the competent provincial, municipal, or district government, the executive plans shall (first) be approved by the central land administrative authority.

ARTICLE 46. Where aerial photographic surveys are necessary in connection with the survey of land, such surveys shall be comprehensively planned and conducted by the central land administrative authority.

ARTICLE 47. Regulations governing the enforcement of land surveys shall be drawn up by the central land administrative Authority.

CHAPTER III
Registration of Land

ARTICLE 48. The general registration of land shall be conducted in accordance with the following procedure:

(1) Investigation of land registers.
(2) Promulgation of registration areas and registration time-limits.
(3) Submission of documents.
(4) Examination (of documents) and publication (of results thereof).
(5) Registration, issue of certificates, and compilation of registers.

ARTICLE 49. The time limit within which each registration area shall accept applications for registration shall not be less than two months.

ARTICLE 50. Prior to the general registration of land, maps showing the registration areas shall be published.

ARTICLE 51. During the general registration of land, the land owner shall, within the stipulated registration period, apply for registration submitting the relevant documentary evidence. The registration of other kinds of land rights shall be undertaken by the obligees in conjunction with the obligor. Applications referred to in the preceding paragraph may be made by agents, who shall, however, submit powers of attorney.

ARTICLE 52. The registration of public land shall be undertaken by the relevant municipal or district land administrative authority at the request of the original organ having custody of or utilizing such land. In the column reserved for the name of the owner, a note shall be inserted showing that such land is owned by the State, the provinces, the municipality or the district, or the village, or market town.

ARTICLE 53. Public land not under the custody of, or utilized by, any authority, and public land discovered as a result of the readjustment of the land register, shall be directly registered by the competent municipal or district land administrative authority, and a note shall be inserted that it is state owned.

ARTICLE 54. In case a piece of land has been peacefully and continuously possessed by a person who, in accordance with the provisions of Articles 769 and 770 of the Civil Code may claim to be registered as the owner, applications for the registration of ownership shall be made within the registration period, with due certification from the neighbours of the land.

ARTICLE 55. A municipal or district land administrative authority, having received application for registration, requested to register, shall, after checking the documents to its satisfaction, immediately issue notifications. The same applies in a case of direct registration in accordance with Article 53.

In the event of additional documentary evidence being called for in respect of applications for registration and commitments to register land referred to in the preceding paragraph, the relevant municipal or district land administrative authority shall order the submission of such additional evidence within a stipulated time.

ARTICLE 56. Where an examination referred to in the preceding paragraph results in the conclusion that there are faults in the claim and the application is dismissed, the competent judicial au-

thority may be appealed to (by the applicant) for the recognition of the rights involved. When such a recognition has been obtained as a result of the decision (of the judicial authority), it may be cited as the base for the submission of a new application for registration.

ARTICLE 57. Land for which application for registration has not been received from any party after the expiry of the registration period, or for which the required additional documentary evidence called for in connection with an application has not been submitted after the expiry of the stipulated time, shall be considered land without owners, and a notification to this effect shall be issued by the competent municipal or district land administrative authority. Should nobody voice dissent before the expiry of the period of the notification, such land shall be registered as State owned land.

ARTICLE 58. A notification issued in accordance with Articles 55 and 57 shall be for a period of not less than two months.

ARTICLE 59. Parties interested in the land rights and voicing dissent within the notification period referred to in the preceding Article shall submit their dissent in writing to the competent municipal or district land administrative authorities, together with supporting documents.

When disputes over land rights arise as a result of dissent, as set forth in the preceding paragraph, the competent municipal or district land administrative authority shall mediate in the dispute.

Parties not satisfied with settlement by mediation shall, within 15 days of the receipt of the notification (of such settlement), bring up the case before the judicial authority for disposition. Where no action is taken within the stipulated period, the results of the mediation shall be upheld.

ARTICLE 60. A party in legitimate possession of land failing to apply for registration within the registration period, and to voice dissent within the notification period, shall forfeit his right of possession.

ARTICLE 61. During the period when the general registration of land is being undertaken, the local judicial authority shall establish a special court to deal with cases involving suits over land rights, and to hear and pass judgment on them speedily.

ARTICLE 62. In cases in which the registration of land rights has been applied for and there has been no dissent before the expiry of the notification period, or in which the rights have been ascertained through mediation or a court judgment, the registration shall be confirmed and a certificate of land ownership rights or other land rights shall be issued to the holder of such rights.

A land ownership certificate referred to in the preceding paragraph shall be accompanied by a plan.

ARTICLE 63. The area (of a property), the registration of which has been confirmed in accordance with the preceding Article, shall be registered from the results of an actual survey undertaken on the basis of the boundary lines specified in the original documentary evidences.

Where the boundary lines specified in the documentary evidence referred to in the preceding paragraph are not clear or do not conform to actual facts, the area arrived at as the result of surveys shall be registered, provided that the area arrived at as a result of surveys does not represent a surplus of more than 10 per cent of the area specified in the documentary evidence. Where the surplus area (over that specified in the documentary evidence) is more than 20 per cent, the excess portion shall be considered State-owned land, but the original possessor shall have priority in purchasing this excess portion and having it registered.

ARTICLE 64. Each registration office shall compile a General Register, on the basis of the results of the registration, to be kept permanently by the municipal or district government. The form of the General Register shall be decided by the central land administrative authority.

ARTICLE 65. In a general land registration, a holder of rights shall pay a registration fee equivalent to 2 per mille of the reported land value or value of other land rights.

ARTICLE 66. In the case of land in respect of which a notification has been issued in accordance with Article 57, in the event of the original holder of rights voicing dissent during the notification period and submitting documentary evidence for examination and making application for land registration, on the satisfactory examination of such an application notification and registration shall be effected in accordance with (normal) procedure provided, but an additional fee equivalent to 50 per cent of the (normal) registration fee shall be paid.

ARTICLE 67. The following fees shall be payable for certificates of land ownership rights and other land rights:

(1) $1 in respect of the reported land value, or value of other land rights, to the amount of less than $1,000.
(2) $2 in respect of the reported land value, or value of other land rights, between $1,000 and $5,000.
(3) $5 in respect of the reported land value, or value of other land rights, of between $5,000 and $10,000.
(4) $10 in respect of the reported land value, or value of other land rights, of between $10,000 and $100,000.
(5) $20 in respect of the reported land value, or value of other land rights, of more than $100,000.

ARTICLE 68. The relevant land administrative authority shall be liable for compensation for losses sustained as a result of error, omission, or falsification in registration, excepting in a case where the land administrative authority can prove that the injured party is responsible.

Compensation for losses referred to in the preceding paragraph shall not exceed the value prevailing at the time when the injury was sustained.

ARTICLE 69. Registration officials or interested parties discovering errors or omissions of registration after its completion shall not make the necessary amendments without written application to the higher competent authority for investigation and approval.

ARTICLE 70. 10 per cent of the registration fees received by a land administrative authority shall be set aside as registration reserve, especially for use in connection with compensation provided in Article 68.

Where compensation for losses borne by a land administrative authority is due to gross negligence of a registration official, the said official shall be responsible for compensation, and the payment made by him shall revert to the Registration Reserve.

ARTICLE 71. Where an application for compensation for losses is refused by the competent land administrative authority, the injured party may bring suit before the judicial authority.

CHAPTER IV
Registration of Change of Land Rights

ARTICLE 72. After the general registration of land, registration of changes of rights shall be effected in the event of a transfer, division, amalgamation, increase or diminution, or extinction of land rights.

ARTICLE 73. Application for a change of land rights shall be made by the owner. In the case of other rights, application shall be jointly made by the party entitled to the rights (obligees) and the party passing over such rights (obliger).

Applications referred to in the preceding paragraph shall be made within one month from the change of such rights. In the case of applications made or ordered to be made after the stipulated time, a fine may be imposed of not more than the amount of the registration fee payable.

ARTICLE 74. An application for a change of land rights shall be accompanied by the originally issued land ownership certificate together with plan, or by the originally issued certificate relating to other land rights.

ARTICLE 75. An application for the registration of a change of land rights, after satisfactory examination by the competent municipal or district land administrative authority, shall be registered in the General Land Register, and a certificate of land ownership or of other land rights shall be issued, while the original land rights certificate shall be cancelled, or appropriately endorsed.

A certificate of land ownership issued in accordance with the preceding paragraph shall be accompanied by a plan.

ARTICLE 76. In respect of an application for the registration of a change of land rights, the obligee shall pay a registration fee of 1 per mille of the reported land value or value of other land rights. The registration fee is, however, waived in the case of a registration of the extinction of land rights, or of a change of rights due to land adjustment plans (of the government).

ARTICLE 77. The fee payable on a land right certificate issued on the registration of a change of land rights shall be in accordance with the provisions of Article 67.

ARTICLE 78. A fee of $1 shall be payable for a registration of any of the following:

(1) Registration of a correction.
(2) Registration of a deletion (obliteration).
(3) Registration of a change of name.
(4) Registration of a change of address.

In the event of a correction referred to in the preceding paragraph being attributable to the action of a registration official, the registration fee shall be waived.

ARTICLE 79. An application for the renewal or subsequent issue of a land ownership certificate or certificate of other land rights due to damage or loss shall be governed by the following provisions:

(1) An application for the issue of a new certificate due to damage shall be accompanied by the damaged original copy of the land ownership certificate or certificate of other land rights.
(2) An application for the re-issue of a certificate due to loss shall be accompanied by a statement of reasons for the loss, and a bond furnished by the neighbours or a business house guaranteeing ownership, and a new certificate shall only be issued after the publication of a public notice by the competent land administrative authority for one month.

THIRD SECTION:
Utilization of Land

CHAPTER I
General Rules

ARTICLE 80. The utilization of land means the application of labour and capital to land.

ARTICLE 81. A municipal or district land administrative authority, in respect of land within its jurisdiction, and in accordance with the national economic policy and conditions relating to local

needs, and the nature of land available for utilization, may consult with relevant organs as to the classification of land for various uses.

ARTICLE 82. Land classified for a certain use shall not be employed for another purpose. This restriction shall not be enforced in case of land which has been approved for other uses by the competent municipal or district land administrative authority.

ARTICLE 83. Land classified for a certain use may continue to serve its original purpose until the time fixed for the classified use.

ARTICLE 84. The classification of the usage of land and its alteration, having been decided by the competent municipal or district land administrative authority, shall be promulgated by the competent municipal or district government.

ARTICLE 85. After the promulgation of classified uses of land, a superior land administrative authority may order their alteration should it consider that the land is required for a more profitable or important use.

ARTICLE 86. A municipal or district land administrative authority in respect of agricultural land within its jurisdiction and in accordance with regulations for collective farming, may jointly with the competent agricultural and forestry authority decide on the area (set aside) for collective farms. Measures relating to collective farms shall be separately decided by law.

ARTICLE 87. Land classified for architectural use and not utilised according to law shall be considered vacant land.

Land on which the architectural improvement is valued at less than 20 per cent of the reported land value is vacant land.

ARTICLE 88. Land classified as agricultural land, or land for other direct productive uses, not utilised according to law shall be considered waste land. Land which has to lie fallow owing to agricultural production needs shall not be subjected to this provision.

ARTICLE 89. A municipal or district land administrative authority, in respect of privately owned vacant land and waste land within its jurisdiction, may define areas and stipulate time limits during which their utilisation according to law shall be compulsorily enforced.

Privately owned waste land referred to in the preceding paragraph not utilised after stipulated time may be bought over by the competent municipal or district government at the reported value.

CHAPTER II
Restrictions over Utilization

ARTICLE 90. Land in urban districts set aside for roads, sewers and other public uses shall be pre-assigned in accordance with city planning laws.

ARTICLE 91. Land in urban districts may be separately demarcated into restricted utilization districts and free utilization districts, in accordance with city planning laws.

ARTICLE 92. In respect of a newly created metropolis or city, the Government may, in accordance with city planning laws, expropriate according to law the whole or a portion of land in the urban area for readjustment and redemarcation, and subsequent sale by lots at original purchase values (with the addition, if necessary, of charges incurred in connection with the readjustment measures).

Land expropriated according to the preceding paragraph may be expropriated by states, and resold by areas. Areas not opened up may be reserved for expropriation, and limitations placed on their uses to prevent obstruction of city planning.

ARTICLE 93. Land already announced for use as roads or other public uses in accordance with city planning measures may be reserved for expropriation and limitations placed on constructions thereon. But constructions of a temporary nature are not subject to such a restriction.

CHAPTER III
Lease of Houses and Land

ARTICLE 94. In urban areas, the Government shall construct an appropriate number of reserve houses to be leased by the public for self-residential purposes.

The rental of houses referred to in the preceding paragraph shall not exceed an amount equivalent to the annual interest at 8 per cent on the value of the land and buildings.

ARTICLE 95. To relieve housing shortage and with the approval of the Executive Yuan, a municipal or district government may reduce or waive the land tax and tax on improvements in respect of newly constructed houses, and stipulate the time limit for such reduction or exemption.

ARTICLE 96. The number of rooms occupied by each inhabitant in an urban area may if necessary be restricted by the competent municipal or district government, taking into consideration local conditions and with the concurrence of the local body representative of public opinion.

ARTICLE 97. Rental of houses in urban areas shall not exceed an amount equivalent to the annual interest at 10 per cent of the reported gross value of the land and the buildings.

Rental of houses under agreement exceeding the provisions of the preceding paragraph may be compulsorily reduced by the competent municipal or district government in accordance with the standard set forth in the preceding paragraph.

ARTICLE 98. Where a cash security is furnished in a lease, interest on such security shall be considered as a portion of the rental payable.

Interest referred to in the preceding paragraph shall be computed at the same rate as that on which the rental has been computed.

ARTICLE 99. The cash security referred to in the preceding Article shall not exceed the rental for two months.

For cash security already paid in excess of the limit referred to in the preceding paragraph, the lessee may use the excess portion for payment of rental.

ARTICLE 100. Unless on account of any one of the undermentioned conditions, a lessor may not repossess a (leased) house:—

(1) When the lessor repossesses the premises for self-occupation or for re-building;
(2) When the lessee violates the provisions of Article 443, Paragraph (1) of the Civil Code by sub-letting to another party;
(3) When the lessee falls in arrears in payment of rental for more than two months, after deduction of the cash security put up;
(4) When the lessee uses the premises for illegal purposes;
(5) When the lessee violates the terms of the lease;
(6) When the lessee damages the lessor's premises or annexed property and fails to pay adequate compensation.

ARTICLE 101. Disputes arising over a lease of houses shall be mediated by the competent municipal or district land administrative authority. A party dissatisfied with such mediation may bring suit before the judicial authority.

ARTICLE 102. In respect of a lease of land for the building of houses, the lessor and the lessee shall, within two months of the conclusion of the contract, apply to the competent municipal or district land administrative authority for the registration of superficies.

ARTICLE 103. Unless on account of any one of the undermentioned conditions, a lessor shall not repossess land leased for the building of houses:—

(1) When the term of contract expires;
(2) When the lessee uses the land for illegal purposes;
(3) When the lessee sub-lets the land to a third party;
(4) When the lessee falls in arrears of rental payment for over two years after deducting the cash security furnished;
(5) When the lessee violates the terms of the lease.

ARTICLE 104. When a piece of land (leased for house construction) is to be sold, the lessee shall have preferential right to purchase on identical terms. When a building (on leased land) is to be sold, the lessor shall have preferential right to purchase on identical terms.

The preferential right referred to in the preceding paragraph, if not declared within ten days after receipt of notice of sale, shall be deemed to have been waived.

ARTICLE 105. The provisions of Articles 97, 99, and 101 apply mutatis mutandis in cases of the lease of land for the building of houses.

CHAPTER IV
Lease of Farm Land

ARTICLE 106. The lease of farm land refers to the lease, at an agreed payment of rental, of another person's agricultural land with the object of cultivating it oneself.

Farm land referred to in the preceding paragraph includes fisheries and pastures.

ARTICLE 107. In the event of the lessor selling or "diening" farm land, the lessee shall have preferential right to purchase or dien the land on identical terms.

The provisions of Article 104, Paragraph (2) apply mutatis mutandis in the case of the purchase or dien referred to in the preceding paragraph.

(Translator's Note) By "dien" is meant, as defined in Article 911 of the Chinese Civil Code which has been translated into English by Dr. Chinglin Hsia, the right to use an immovable of another person and to collect fruits therefrom by paying a price and taking possession of the immovable.

ARTICLE 108. Even with the consent of the lessor, the lessee shall not sublet the whole or a portion of farm land to a third party.

ARTICLE 109. In respect of farm land leased and used according to a contract with a time limit, on the expiry of the contract, if the lessor does not repossess the land for self-cultivation and if the lessee continues to cultivate the land, the contract shall be considered as one without time limit.

ARTICLE 110. Rental shall not exceed 8 per cent of the value of land. Where the agreed rental or the customary rental exceeds 8 per cent of the land value, it shall be reduced to the level of 8 per cent of the land value. Where it is less than 8 per cent, the agreed or customary rental shall be upheld.

Land value referred to in the preceding paragraph means the legally fixed land value. In a locality where no legal land value has been fixed, it shall mean the average value prevailing during the three years immediately preceding.

ARTICLE 111. Rental on farm land may be paid by the lessee, in accordance with local custom, in agricultural produce.

ARTICLE 112. A lessor of farm land shall not collect rental in advance. Where local custom, calls for the payment of a cash security, such security shall not exceed 25 per cent of the annual rental payable.

Interest on cash security referred to in the preceding paragraph shall be considered as a portion of the rental, the rate of interest to be computed in ac-

cordance with general interest rates in the locality.

ARTICLE 113. When a lessee is unable to pay the full amount of the rental payable at the end of each term, and effects payment of a portion thereof, the lessor shall not refuse such payment, and the lessee shall not consider such acceptance to be an agreement to a reduction of the rental.

ARTICLE 114. A contract covering a lease of farm land without a specified time limit shall be terminated only under any one of the following conditions:—

(1) Death of a lessee who leaves no heir;
(2) When the lessee waives his farming rights;
(3) When the lessor repossesses the land for self-cultivation;
(4) When the use of the land is diverted to some other purposes according to law;
(5) When the provisions of Article 432 and Article 460, Paragraph (2) of the Civil Code are violated;
(6) When the provisions of Article 108 (of this Law) are violated;
(7) When rental of land falls in arrears for two years.

ARTICLE 115. A lessee waiving his farming rights shall declare his intention to the lessor three months in advance. Discontinuation of farming continuously for one year, unless due to force majeure, shall be deemed a waiver of farming rights.

ARTICLE 116. The termination of a lease in accordance with Article 114, Paragraphs (3) and (5) shall be notified by the lessor to the lessee one year in advance.

ARTICLE 117. When farm land repossessed for self-cultivation is released, the orignal lessee shall have preferential right to the lease. When such a re-lease is effected within one year from the date of the repossession for self-cultivation, the original lessee may lease the land under the original terms of lease.

ARTICLE 118. The lessor shall not exercise the right of retention as provided in Article 445 of the Civil Code, in respect of agricultural implements, cattle, fertiliser, and agricultural produce which are absolutely necessary to the lessee in his farming operations.

ARTICLE 119. A special improvement on farm land refers to an increase of the productive power or facility of farm land, in addition to the preservation of its original quality and efficiency, as the result of increased labour and capital.

A special improvement referred to in the preceding paragraph may be undertaken freely by the lessee, and the lessor shall be immediately informed of the cost of any such special improvement.

ARTICLE 120. On the restoration of farm land following the termination of a contract referred to in Article 114, Paragraphs (2), (3), (5) or (6), the lessee may request from the lessor a refund of the cost of special improvement on farm land incurred by him (the lessee) as referred to in the preceding Article, Paragraph (2), provided that such refund only covers the value of that portion of special improvement which is still useful.

The provisions of the preceding paragraph apply mutatis mutandis to the revocation of yung-tien as provided for in Article 845 and 846 of the Civil Code.

(Translator's Note. By "yung-tien" is meant, as defined in Article 842 of the Chinese Civil Code which has been translated into English by Dr. Ching-lin Hsia, the right to cultivate or to raise livestock permanently on the land of another person by paying a rent.)

ARTICLE 121. A lessor of farm land supplying the lessee with live-stock, seeds, fertilizer, or other productive implements, may, apart from complying with the provisions of Articles 462 and 463 of the Civil Code, charge an appropriate remuneration in addition to the rental of land according to the lease, provided that such a charge does not exceed the annual interest of 10 per cent on the value of the materials supplied.

ARTICLE 122. A dispute between landowners and tenant farmer over the lease shall be mediated by the competent municipal or district land administrative authority. Either party objecting to such mediation may bring suit before the judicial authority.

ARTICLE 123. In the event of crop failure or famine, a municipal or district government may decide on a reduction of or exemption from rental according to the local actual crop conditions in the current year, subject to the concurrence of the local body representative of public opinion.

ARTICLE 124. The provisions of Articles 107 to 113 and Article 121 apply mutatis mutandis in the case of land under yung-tien.

CHAPTER V
Utilization of Waste Land

ARTICLE 125. Public waste land shall be completely surveyed within a stipulated time limit by the competent municipal or district land administrative authority, and plans for its utilization made.

ARTICLE 126. Public waste land suitable for cultivation purposes, excepting such portions as are reserved by the Government for its own use, shall be divided into cultivation zones by the competent municipal or district land administrative authority, in conjunction with the competent agricultural and forestry authority, and units of cultivation lots decided, and invitations issued for the development.

ARTICLE 127. Private waste land which has been bought over by the competent municipal or district government in accordance with Article 89 shall not be re-offered for development until after conservancy and soil improvement measures have been introduced.

ARTICLE 128. Persons responding to official invitations for the development of public waste land shall be confined to citizens of the Republic of China.

ARTICLE 129. Parties responding to official invitations for the development of public waste land shall be of the following two classes:—

(1) Self-cultivating farmers.
(2) Agricultural Production Cooperative Societies.

An Agricultural Production Cooperative Society referred to in the preceding paragraph shall be confined to one registered according to law, with its members undertaking cultivation themselves.

ARTICLE 130. An applicant for the development of waste land shall be limited to one cultivation unit to each farming household. The number of units applied for by an Agricultural Production Cooperative Society shall not exceed the number of self-cultivation farming households constituting the society.

ARTICLE 131. An applicant for the cultivation of waste land shall commence development activities within one year of the receipt of the certificate of cultivation. The period of cultivation shall be decided by the competent agricultural and forestry authority. If cultivation is not commenced within the stipulated time limit, the certificate of cultivation shall be revoked.

ARTICLE 132. A cultivator failing to complete the work of cultivation within the cultivation period shall have his certificate revoked. Where such failure has been due to force majeure, application may be made to the competent agricultural and forestry authority for an appropriate extension of the time limit.

ARTICLE 133. A cultivator acquires gratis, from the date of the commencement of cultivation, the farming rights over the land allotted to him, and shall, in accordance with law, register with the competent municipal or district land administrative authority such farming rights. After continuous cultivation for ten years, he shall also acquire gratis the land ownership rights.

The farming rights referred to in the preceding paragraph are non-transferable. Inheritance and donation to a party eligible to inherit shall be excepted from this limitation.

Land completely developed according to paragraph (1) may be exempted from the payment of land tax for from two to eight years at the discretion of the competent municipal or district government.

ARTICLE 134. Public waste land which cannot be developed by farmers or agricultural production cooperative societies may be taken care of by development organs created for that purpose.

CHAPTER VI
Re-Demarcation of Land

ARTICLE 135. On account of any one of the undermentioned reasons, and with the approval of a higher authority, a municipal or district land administrative authority may, in respect of land within its jurisdiction, demarcate or redemarcate land zones, enforce a redemarcation of land, and establish new boundaries for lots within such zones:—

(1) The enforcement of city planning.
(2) The existence of lots with areas too small or of abnormal shapes rendering them unsuitable for building purposes.
(3) Farm land originally allocated proving unsuitable for farming operations, or for irrigation purposes.
(4) The exchange or amalgamation of scattered lots for the establishment of standard farms.
(5) The employment of mechanical farming devices for the establishment of collective farms.

ARTICLE 136. On the re-demarcation of land, the original areas or values of original lots shall be taken as the basis for the allocation of the new lots among the original owners. Where for practical reasons such allocation according to area and value cannot be effected, monetary compensation may be paid as an alternative.

ARTICLE 137. Land of an abnormal shape and/or too small in area, being less than the minimum unit area provided in Article 31, may be abandoned or amalgamated (incorporated into another lot) on the redemarcation of land.

ARTICLE 138. Parks, roads, embankments, ponds, sewers and land for other public use as in re-demarcated zones may be altered or abandoned in accordance with the land redemarcation plans.

ARTICLE 139. After the redemarcation of land, profits and losses sustained by landowners shall be mutually adjusted among them. The Government shall effect compensatory payment for land assigned for roads or other public uses.

ARTICLE 140. On a redemarcation of land, within 30 days of the notification of the undertaking, should opposition be voiced by more than 50 per cent of the landowners involved representing ownership of more than 50 per cent of the total acreage in the zone (not including public land), the municipal or district land administrative authority shall immediately report such objection to its higher authority for investigation and decision.

ARTICLE 141. Land redemarcation referred to in Article 125 may be approved by the municipal or district land administrative authority on the joint request of more than 50 per cent of the landowners in the zone involved, representing ownership of more than 50 per cent of the

total acreage in the zone, not including public land.

ARTICLE 142. Land redemarcation in newly created metropolises shall be effected prior to the opening up of the various zones.

FOURTH SECTION: Land Tax

CHAPTER I General Rules

ARTICLE 143. Land and improvements thereon, unless exempted from taxation according to law, shall be taxed in accordance with the provisions of this Law.

ARTICLE 144. Land tax shall be of two classes:

Tax on land value, and tax on appreciated land value.

ARTICLE 145. The values of land and improvements thereon shall be separately determined.

ARTICLE 146. The land tax shall be a local tax.

ARTICLE 147. Land and improvements thereon, except as provided for in this Law, shall not be subject to any levies and surtaxes under any pretext. However, in respect of charges incurred for the construction of roads, embankments, sewers or other land improvement engineering operations, an engineering benefit fee may be charge according to law.

CHAPTER II Land Value and Value of Improvements

ARTICLE 148. Land value reported by the owner in accordance with this Law shall be the Legal Land Value.

ARTICLE 149. A municipal or district land administrative authority shall attend to the returns of land values in accordance with the following procedure:

(1) Investigate and fix standard land values;
(2) Collect returns of land values from landowners;
(3) Compile land value registers.

ARTICLE 150. In the investigation of land values, the market values of land or income values during the latest two years shall be checked indiscriminately and such checks used as the basis for the determination of standard land values. The number of cases to be so checked shall depend upon the number of lots and the extent of differences in land values.

ARTICLE 151. On the basis of the results of investigations referred to in the preceding Article, a classification of land values shall be made on lots of approximately the same values and adjoining one another, or of the same categories. In each class of land-value, the average or mean of the market value or income values of cases singled out for investigation shall be considered the average land value for the said class.

ARTICLE 152. The average land value for each land-value class shall be promulgated as the standard land value by the competent municipal or district government on the application of the competent municipal or district land administrative authority.

ARTICLE 153. The promulgation of standard land values shall be effected for different zones prior to the commencement of the general land registration.

ARTICLE 154. In the event of land owners considering the standard land values to be inadequate, upon the concurrence of more than 50 per cent of the land owners of the same land class within the same zone, objection may be filed with the competent municipal or district government within 30 days of the promulgation of the standard land values.

A municipal or district government, on receipt of objection referred to in the preceding paragraph, shall immediately turn the case over to the Standard Land Values Discussion Committee for deliberation.

ARTICLE 155. The organic regulations for a Standard Land Values Discussion Committee shall be drawn up by the central land administrative authority.

Representatives of the local public opinion organ shall participate in a committee referred to in the preceding paragraph.

ARTICLE 156. A land owner applying for the registration of ownership shall at the same time report the land value, which shall not show a margin over 20 per cent above or below the standard land value.

ARTICLE 157. A land owner who considers the standard land value too high for him to report his land value in accordance with the preceding Article may request the competent municipal or district government to buy over his land at the standard value.

ARTICLE 158. If a land owner applies for registration without reporting his land value at the same time, the standard land value shall be taken as the legal land value.

ARTICLE 159. When the reporting of land values has been completed in a municipality or district, a land-values register shall immediately be prepared and forwarded to the competent municipal or district financial authority.

ARTICLE 160. On the expiry of a five-year period since the (completed) report of land-values, or on the expiry of a one-year period when land values have appreciated or depreciated by more than 50 per cent of the original standard values, land values may be re-appraised, and the provisions of Articles 150 to 152 and 154 to 156 shall apply.

ARTICLE 161. The value of an architectural improvement shall be assessed by the competent municipal or district land administrative authority at the same time the land values are decided.

ARTICLE 162. The assessment of the value of an architectural improvement shall be based on the necessary cost of construction of a similar structure at the time of the assessment, less the amount of depreciation due to the passage of time.

ARTICLE 163. An architectural improvement additional to an original architectural improvement shall be included in the value of the latter at the time of re-assessment; but repairs made for the maintenance of the status quo of an architectural improvement shall not be considered as an additional architectural improvement.

ARTICLE 164. A municipal or district land administrative authority shall forward the assessed values of improvements to the Standard Land Values Discussion Committee for decision, after which it shall be reported to the competent municipal or district government for promulgation as the legal value of the improvement, and the municipal or district land administrative authority shall serve written notices on owners respectively.

ARTICLE 165. When a recipient of a notification referred to in the preceding Article considers that the decision is inadequate, he may within 30 days of receipt of the notification, apply to the Standard Land Values Discussion Committee for a rehearing.

ARTICLE 166. The value of an architectural improvement may be re-assessed on the re-assessment of land values.

CHAPTER III Tax on Land Values

ARTICLE 167. The tax on land values shall be levied once a year on the basis of the legal land value. If necessary, it may be paid in two instalments.

ARTICLE 168. The tax on land values shall be levied at a progressive rate on the basis of the legal land value.

ARTICLE 169. The basic tax-rate of the tax on land values shall be 15 per mille of the legal land value.

ARTICLE 170. Where the gross land value of the holding of a land owner does not exceed the basic land value calling for the application of a progressive scale, the tax shall be levied on the rate referred to in the preceding Article. Where it exceeds the basic value calling for the application of a progressive scale, taxation shall be levied in accordance with the undermentioned procedure for the enforcement of the progressive scale:

(1) Where the value exceeds the basic value by less than 500 per cent, an additional levy of two per mille shall be made on the excess portion;
(2) Where the value exceeds the basic value by less than 1000 per cent, apart from the tax payable under the provisions of the preceding paragraph, an additional levy of three per mille shall be made on the portion in excess of 500 per cent of the basic value;
(3) Where the value exceeds the basic value by less than 1500 per cent, apart from the tax payable under provisions of the preceding paragraph, an additional levy of five per mille shall be made on the portion in excess of 1000 per cent. Thereafter, an additional levy of five per mille on a progressive scale shall be made on every excess portion of 500 per cent, up to the maximum rate of 50 per mille.

ARTICLE 171. The basic land value calling for the application of progressive taxation shall be decided by the various provincial governments or municipal governments directly subordinated to the Executive Yuan, on the basis of the minimum necessary acreage for self-residential or self-cultivation areas, taking also into consideration land values and local economic conditions, submitted to the Executive Yuan for approval.

ARTICLE 172. The tax on land values shall be levied on the land owner. In case of land over which a dien has been created, it shall be paid by the dien holder.

In the case of land belonging to absentee landowners, the tax on land values may be paid on the latter's behalf by the lessee, to be deducted from the rental payable for the current year.

ARTICLE 173. Private vacant land having been compulsorily ordered to be utilized within a stipulated time but not utilized on the expiry of such a time limit may have levied on it an additional tax on vacant land for the period prior to its utilization according to law.

The tax on vacant land referred to in the preceding paragraph shall not be less than 300 per cent of the tax on land values payable, and not more than 1000 per cent.

ARTICLE 174. Private waste land having been compulsorily ordered to be utilized within a stipulated time and not so utilized on the expiry of such a time limit, may have levied on it an additional tax on waste land for the period prior to its utilization according to law.

The tax on waste land referred to in the preceding paragraph shall not be less than the tax on land values payable and not more than 300 per cent of the tax on land values.

ARTICLE 175. The tax on land values for land belonging to absentee landowners shall be double that of the regular tax payable.

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CHAPTER IV
Tax on Appreciated Land Values

ARTICLE 176. The tax on appreciated land values shall be computed on the actual appreciation of the value of land, and shall be levied on the transfer of land ownership, or in the absence of such a transfer, at the end of a ten-year period.

The ten-year period referred to in the preceding paragraph shall be computed from the date of the first assessment of a legal land value.

ARTICLE 177. In a district where engineering activities have been carried out according to Article 147, the tax on appreciated land values shall be levied on the expiration of five years from the completion of such engineering undertakings.

ARTICLE 178. The standard for the gross appreciated value of land shall be computed according to the undermentioned provisions:

(1) For land which has undergone no transfer since the assessment of its (legal) value, on a transfer due to scale, the amount of excess of the sale price over the originally assessed price shall be the standard;
(2) For land which has undergone no transfer since the assessment of its (legal) value, on a transfer due to inheritance or donation, the amount of excess of the appraised value at the time of transfer over the originally assessed value shall be the standard;
(3) For land which has undergone transfer since the assessment of its (legal) value, on subsequent transfer, the excess amount of the value at time of transfer over the value at the last transfer shall be the standard.

ARTICLE 179. The originally assessed land value or the land value at the preceding transfer referred to in the preceding Article shall be known as the original land value.

In the event of violent fluctuations of commodity prices, the original land value referred to in the preceding paragraph may be readjusted by the municipal or district financial authority on the basis of local commodity price indices, and with the concurrence of the local body representative of public opinion.

ARTICLE 180. The gross appreciated land value, less the tax exemption value, shall be the net appreciated land value.

ARTICLE 181. The rate of tax on appreciated land value shall be as follows:

(1) Where the net appreciated value is less than 100 per cent of the original land value, 20 per cent of the net appreciated value;
(2) Where the net appreciated value is less than 200 per cent of the original land value, in addition to taxation in accordance with the preceding paragraph 40 per cent on the portion in excess of 100 per cent of the original value;
(3) Where the net appreciated value is less than 300 per cent of the original land value, in addition to taxation in accordance with the preceding two paragraphs, 60 per cent on the portion in excess of 200 per cent;
(4) Where the net appreciated value is more than 300 per cent of the original land value, in addition to taxation in accordance with the preceding three paragraphs, 80 per cent on the excess portion.

ARTICLE 182. Where a transfer of land ownership results from an outright sale, the tax on appreciated value shall be levied on the vendor. Where it results from an inheritance or a donation, the tax shall be levied on the inheritor or donee.

ARTICLE 183. On the expiry of ten years from the assessment of (legal) land value, or on the expiry of five years in a zone where engineering operations had been completed, in the case of land over which there has been no transfer, the tax on appreciated land value shall be levied on the land owner.

Where a dien has been created on land referred to in the preceding paragraph, the tax on appreciated land value may be levied on the dien-holder, but the dien-maker shall refund the sum without interest on the redemption of the property.

ARTICLE 184. From the net appreciated land value shall be deducted the capital invested by the landowner in land improvement, or engineering benefit fees paid by him.

CHAPTER V
Tax on Land Improvements

ARTICLE 185. Architectural improvements may be taxed annually on their assessed value, the highest tariff not to exceed 10 per mille.

ARTICLE 186. The tax on an architectual improvement shall be collected at the time when the tax on land value is levied, and the provisions of Article 172 shall apply.

ARTICLE 187. An architectural improvement which is a house for self residence shall be exempted from taxation.

ARTICLE 188. Agricultural improvements shall not be subject to taxation.

ARTICLE 189. In districts where the value of land is less than $500 per mow, architectural improvements thereon shall be exempted from taxation.

ARTICLE 190. The whole of the land improvements tax shall be a local tax.

CHAPTER VI
Reduction and Exemption of Land Tax

ARTICLE 191. Public land and public architectural improvements shall be exempt from the land tax and the improvements tax; but this provision does not apply where the property is utilized by a government enterprise or not used for the public.

ARTICLE 192. Taxes may be waived or reduced on private land used for any of the undermentioned purposes, on the approval of the Executive Yuan on the joint application of the Finance Ministry and the central land administrative authority:

(1) Land used for schools or other academic institutions.
(2) Land used for public parks and public recreation grounds.
(3) Land used for agricultural, forestry, fishery and pastoral experimental stations.
(4) Land used for forests.
(5) Land used for public hospitals.
(6) Land used for public cemeteries.
(7) Land used for other non-profit seeking public welfare purposes.

ARTICLE 193. In the event of a local catastrophe, or for the purpose of readjusting social economic conditions, the Finance Ministry and the central land administrative authority may jointly apply to the Executive Yuan for approval for the exemption or reduction of tax during the period of the catastrophe or of the economic readjustment measures.

ARTICLE 194. Land held in reserve for expropriation or which cannot be utilized owing to legal limitations shall be exempt from taxation. But the provision does not apply where the land can still be utilized as usual during the period of reservation for expropriation.

ARTICLE 195. Land which cannot be utilized owing to its natural surroundings or for technical reasons, or land in the process of development from waste land, shall be exempt from taxation on its value with the approval of the Executive Yuan on the joint application of the Finance Ministry and the central land administrative authority.

ARTICLE 196. When a transfer of ownership results from the expropriation of land or the re-demarcation of land, the tax on appreciated land value shall be waived.

ARTICLE 197. Land for self-cultivation and self-residence of a farmer shall not be subject to tax on appreciated land value at the expiry of a 10 year period unless there is a transfer of ownership.

ARTICLE 198. Where the value of farm land has appreciated as the result of the application of labour and capital thereon by the farmer, the tax on appreciated land value shall not be levied.

ARTICLE 199. Land exempted from taxation or on which taxes have been reduced shall, when the facts upon which exemption and reduction are based undergo change or cease to exist, be subject to normal taxation.

CHAPTER VII
Arrears in Tax Payment

ARTICLE 200. When the tax on land values is not paid within the stipulated time limit, an additional payment by way of a fine shall be called for to the amount of not more than 2 per cent of the amount payable for each month of default from the date thereof. Where such default is less than one month, it shall be computed as of one month.

ARTICLE 201. When arrears in the tax on land value reach a sum equivalent to the amount of tax payable for two years, the competent municipal or district financial authority may recommend to the municipal or district land administrative authority that the land on which tax payment is in arrears, as well as the whole or a portion of the improvements thereon, be turned over to the judicial authority for sale by public auction, the proceeds being allocated to meet arrears in tax payment, any amount remaining being returnable to the defaulter.

ARTICLE 202. The sale of land by public auction referred to in the preceding Article shall be notified to the land owner by the judicial authority 30 days prior to the sale.

ARTICLE 203. Should the land owner, on receipt of the notification referred to in the preceding Article, furnish an appropriate guarantee for the payment of tax in default, the judicial authority may postpone the date for the holding of the auction sale.

The postponement referred to in the preceding paragraph shall be limited to one year.

ARTICLE 204. Where land on which tax payment is in arrears bears fruits, the competent municipal or district financial authority may inform the municipal or district land administrative authority with a view to the seizure of such fruits to set off against tax payments in arrears, and thus avoid a sale by auction of the land.

The seizure of fruits referred to in the preceding paragraph may only be effected when the accumulated amount in default is equivalent to the total of tax payments for one year.

The amount of fruits to be taken over in accordance with Paragraph (1) shall be limited to the sum required to set off against tax payments in default.

ARTICLE 205. When the tax on appreciated land values is not paid up according to law, the fines shall be imposed therefor as provided in Article 200.

ARTICLE 206. When the tax on appreciated land values is in default for a period of one year, the competent municipal or district financial authority may recommend to the municipal or district land administrative authority that the land and the whole or a portion of the improvements thereon be turned over to the judicial authority to be sold by public auction, the proceeds being allocated to meet the tax in default, any amount remaining being turned over to

the defaulter.

The provisions of Articles 202 and 203 shall apply in a sale by public auction referred to in the preceding paragraph.

ARTICLE 207. The provisions of the various Articles in this Chapter in regard to arrears in the payment of the tax on land values shall apply in the case of arrears in the payment of the tax on architectural improvements.

FIFTH SECTION:
Expropriation of Land
CHAPTER I
General Rules

ARTICLE 208. For the requirements of any of the undermentioned public enterprises, the State may expropriate private land in accordance with the provisions of this Law, subject to the extent of expropriation being limited to the absolute requirements of the enterprise concerned:

(1) National defence requirements;
(2) Communications enterprises;
(3) Public utility enterprises;
(4) Water conservancy enterprises;
(5) Public health enterprises;
(6) Government offices, local self-government organs, and other public buildings;
(7) Educational, academic and philanthropic enterprises;
(8) State operated enterprises;
(9) Other enterprises sponsored by the Government for public welfare purposes.

ARTICLE 209. A government organ, in the enforcement of national economic policies, may expropriate private land, subject to the limitation that such expropriation is allowed by law.

ARTICLE 210. In the expropriation of land, scenic and historic spots shall be avoided as far as possible.

Scenic and historic spots situated in areas within an expropriated zone shall be preserved as far as possible.

ARTICLE 211. Persons applying for expropriation shall produce evidence that the enterprise for which it is to be used has been authorised by law.

ARTICLE 212. When land is expropriated for any one of the undermentioned reasons, the expropriation may be effected by districts:

(1) The enforcement of national economic policies;
(2) The creation of new metropolises or cities;
(3) The establishment of enterprises included in Article 208, Item (1) or (3).

"expropriation by districts" referred to in the preceding paragraph means the readjustment of various lots in a specified zone, the whole of which is to be expropriated.

ARTICLE 213. Reserve expropriation may be effected for any one of the following reasons:

(1) The development of lines of communication:
(2) The inauguration of public utility enterprises;
(3) The creation of new metropolitan or urban areas; and
(4) National Defense requirements.

"Reserve expropriation" referred to in the preceding paragraph means the application of approval in advance of the extent of expropriation for the needs of the enterprise concerned before the actual utilization of the land, and the prohibition of uses thereon such as will obstruct its eventual expropriation.

ARTICLE 214. The period of reserve expropriation referred to in the preceding Article shall not exceed three years. Failure to expropriate within the period shall be deemed a revocation of the decision. For the establishment of enterprises included in the preceding Article, Item (1) or (4), however, application may be made for approval to extend the period of reserve expropriation, such an extension being limited to not more than five years.

ARTICLE 215. When land is expropriated, the improvement attached thereto shall also be expropriated simultaneously, excepting in cases where the owner of such improvements demands their surrender to himself and effects their removal himself.

ARTICLE 216. When the utilization of expropriated land effects land adjacent to it so that the continued utilization of such adjacent land for its established purpose is no longer possible, or its efficiency is lowered, the owner of such land may apply to the utilizer of the (expropriated) land for adequate compensation.

Compensation referred to in the preceding paragraph shall not exceed the amount of the depreciation of the said adjacent land as a result of the expropriation.

ARTICLE 217. When a remnant area (left to the owner) after an expropriation of land is too small in size, or too irregular in shape, to be of adequate use the owner may apply for the inclusion of such a remnant area in the expropriation.

ARTICLE 218. In respect of land expropriated by districts by the Government, on the readjustment of such land through the redemarcation of lots and offer for use, sale or lease, the original land owner or holders of other land rights shall have preferential rights to accept (offers for use, sale or lease).

ARTICLE 219. In respect of expropriated private land not utilized in accordance with approved plans or not put into usage one year after the completion of the expropriation, the original owner may repossess his land at the original expropriation value.

ARTICLE 220. Land already used for the various enterprises included in Article 208, shall not be expropriated, except for the establishment of more important enterprises when expropriation is unavoidable. An expropriation of only a small portion of the land thus used, which does not affect the continuous progress of the existing enterprise, shall be exempted from this restriction.

ARTICLE 221. The computation of the amount of liabilities bearable by expropriated land shall be limited to the amount of compensation receivable in respect of the land. Such liabilities shall be liquidated and settled by the competent municipal or district land administrative authority at the time of payment of compensation.

CHAPTER II
Procedure of Expropriation

ARTICLE 222. An expropriation of land on account of any one of the undermentioned reasons shall be approved by the Executive Yuan:

(1) Where the party requiring the use of the land is the National Government, (one of) the Five Yuan or an organ directly subordinated thereto, a Provincial Government, or a municipal Government directly subordinated to the Executive Yuan;
(2) Where the enterprise undertaken is directly controlled or supervised by a central Yuan, ministry or commission;
(3) Where the area of the land expropriated extends over the boundaries between two or more provinces;
(4) Where the land expropriated is within the municipal limits of a municipality directly subordinated to the Executive Yuan.

ARTICLE 223. An expropriation of land on account of any one of the undermentioned reasons shall be approved by the (relevant) Provincial Government:

(1) Where the party requiring the use of the land is a provincial department, or bureau, a district, or municipal government, or an organ subordinated thereto, or a local self-government organ;
(2) Where the enterprise undertaken is controlled or supervised by a local government.

A Provincial Government, on giving approval as referred to in the preceding paragraph, shall immediately report to the Executive Yuan for scrutiny.

ARTICLE 224. In the expropriation of land, the party requiring the use of the land shall formulate and submit to the relevant authority as provided in the two preceding Articles, detailed expropriation prospectus, to which shall be appended a map of the land (to be) expropriated, as well as plans for the (future) utilization of the land.

ARTICLE 225. The Executive Yuan or provincial government, on approving an expropriation of land, shall immediately issue orders for the whole case to be notified to the competent municipal or district land administrative authority of the locality.

ARTICLE 226. When two or more parties apply for the expropriation of the same piece of land, the importance of the nature of the enterprise involved shall be the standard in the decision of approval. When the nature of the enterprises is the same, priority in application shall be the standard in the decision of approval.

ARTICLE 227. A municipal or district land administrative authority on receipt of instructions from the Executive Yuan or the Provincial Government approving an expropriation of land shall immediately issue a public notice and notify the land owner and holder of other land rights accordingly.

The period for the public notification referred to in the preceding paragraph shall be 30 days.

ARTICLE 228. Where the registration of ownership of land expropriated has not yet been completed, holders of other land rights involved shall, within 30 days after the expiration of the publication period referred to in the preceding Article, apply to the competent municipal or district land administrative authority in order to record their rights. Where the registration of land ownership has already been completed, other land rights involved shall be those recorded on the Land Register on the date of the expiration of the publication period.

ARTICLE 229. In respect of land the registration of whose ownership has not been completed according to law, should the holders of other rights thereon fail to apply for the recording of their rights according to the preceding Article, such rights shall not be considered necessary liabilities borne on the land expropriated.

ARTICLE 230. After the issue of the public notice, the party requiring the use of the land (to be expropriated) may enter upon such land for purposes of inspection or survey.

In undertaking the activities referred to in the preceding paragraph, the holder of ownership or other land rights shall be notified to have obstructions on the land removed, or the obstructions may be removed on his behalf.

ARTICLE 231. The party requiring the use of such land shall await the completion of the payment of compensation of land value and other compensatory payments before he may enter expropriated land for the execution of actual operations. In the enforcement of national economic policies or in the establishment of an enterprise included in Article 208 Item (1), (2) or (4), how-

ever, with the approval of the Executive Yuan for immediate utilization, this restriction shall not hold.

In respect of land specially authorized for immediate usage according to the preceding paragraph, should the user fail to effect compensation for land value in accordance with the provisions of this Law, the owner may bring suit in accordance with law.

ARTICLE 232. In respect of land to be expropriated, after the issue of the public notice, the holder of land rights shall not add improvements on such land, and work shall immediately be discontinued in improvements in process of construction at the time of the issue of the notice.

Should the competent municipal or district land administrative authority consider the addition or continued construction of the improvement concerned would not obstruct plans for the expropriation, such matter may be specially permitted on the application of the interested parties.

ARTICLE 233. Compensation of land value and other compensatory payments for land expropriated shall be paid within 15 days of the expiration of the period of public notice. In the case of an expropriation of land for the enforcement of national economic policies or for the establishment of an enterprise included in Article 208, Item (1), (2) or (4), however, the approval of the Executive Yuan may be obtained for the payment of compensation partly in Land Debentures.

ARTICLE 234. Upon the complete payment of all compensation due on expropriated land, the municipal or district land administrative authority may specify a time limit within which the holder of land rights or the user of the land shall be ordered to complete his removal.

ARTICLE 235. The rights and obligations of the owner of expropriated land shall terminate on the complete payment of compensation due him. Pending the complete payment of such compensation, he shall have the right to continue the use of the land. This shall not apply to a case under the proviso in Article 231.

CHAPTER III
Compensation for Expropriation

ARTICLE 236. The compensation for land value, other compensatory payments, and allowance for removal in respect of expropriated land, shall be fixed by the competent municipal or district land administrative authority.

The compensation for land value, other compensatory payments, and allowance for removal, referred to in the preceding paragraph, shall be borne by the party requiring the use of the land, and shall be paid through the competent municipal or district land administrative authority.

ARTICLE 237. Payment of compensation for land value, other compensatory payments, and allowance for removal may be held in deposit by the municipal or district land administrative authority against demand should any one of the undermentioned conditions exist:

(1) Where the party entitled to compensation refuses to accept payment or is unable to accept payment;
(2) Where the address of the party entitled to compensation is unknown.

ARTICLE 238. When any one of the undermentioned conditions exists, the municipal or district land administrative authority may have the improvement removed on behalf of the owner or expropriated together with the land:

(1) Where the recipient of the removal allowance refuses payment or is unable to accept payment;
(2) Where the address of the recipient of the removal allowance is unknown.
(3) Where the recipient of the removal allowance fails to effect removal within stipulated time.

ARTICLE 239. The land value payable as compensation on expropriated land shall be in accordance with the following provisions:

(1) Where the land value has been fixed according to law, and the ownership has not undergone a transfer, the legal land value shall prevail;
(2) Where the land value has been fixed according to law and where ownership has undergone transfers, the land value on the final transfer shall prevail;
(3) Where the land value has not yet been fixed according to law, the land value shall be assessed by the competent municipal or district land administrative authority.

ARTICLE 240. Land value payable as compensation on land reserved for expropriation shall be in accordance with the land value at the time of (actual) expropriation.

ARTICLE 241. When an improvement is expropriated, the compensation receivable shall be in accordance with the value appraised by the competent municipal or district land administrative authority.

ARTICLE 242. Compensation for agricultural improvements on land expropriated within one year of the maturity of its fruits, shall be fixed according to the value of the fruits at the time of maturity.

ARTICLE 243. In accordance with the provisions of Article 230 Paragraph (2), for the removal of obstruction on land, should land outside of the expropriated area suffer damage thereby, appropriate compensation shall be paid.

ARTICLE 244. Where the removal of an improvement is necessitated by the expropriation of land, adequate compensation shall be paid.

ARTICLE 245. Should the removal of the whole of an improvement be necessitated through the expropriation of even only a part of the land, the owner of the improvement may apply for the payment of the removal expenses for the whole improvement.

ARTICLE 246. Where an expropriation of land necessitates the removal of graveyards or other memorials, the removal allowances shall be the same as that applying to improvements.

Grave-yards without owners shall be decently removed and re-interment effected by the party requiring the use of the land, details being carefully recorded and listed in a report to the competent municipal or district land administrative authority for record.

ARTICLE 247. In the event of objection to the assessment referred to in Articles 239, 241 or 242, the competent municipal or district land administrative authority shall refer the case to the Standard Land Value Discussion Committee for decision.

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LAW GOVERNING THE APPLICATION OF THE LAND LAW

(Promulgated for enforcement by the National Government on April 29, 1946).

FIRST SECTION: General Provision

ARTICLE 1. The present law of application has been drawn up in accordance with the provisions of Article 9 of the Land Laws.

ARTICLE 2. The Land Law and the present Law of Application come into force from the date of promulgation of the present Law of Application.

ARTICLE 3. Prior to the enforcement of the Land Law, matters pertaining to land administrations in various districts shall be approved by ths central land administrative authority, which shall order the rectification of those improperly conducted.

ARTICLE 4. The sub-divisions of (names of) land referred to in Article 2 of the Land Law and their markings shall be decided, from amongst names in local usage, by the competent municipal or district land administrative authority and submitted to the provincial land administrative authority for approval, and enforcement, and reported to the central land administrative authority for record. In the case of a municipality directly subordinated to the Executive Yuan, the land administrative authority shall itself decide on the designations and report to the central administrative authority for record.

ARTICLE 5. The "specified limit" referred to in Article 14, Items 1 to 4 of the Land Law shall be decided upon by the competent. municipal or districts land administrative authority in conjunction with the competent conservancy authority.

ARTICLE 6. When a State operated enterprise requires the use of public land, the highest competent authority in control of the said enterprise shall decide on the limits (of land required) and request its allotment for use gratis from the competent municipal or district government, subject, however, to the approval of the Executive Yuan.

ARTICLE 7. The standard for the limitation of the maximum acreage of the land according to Article 28 of the Land Law shall be effected separately for residential land, agricultural land, and land required for an enterprise. Residential land shall be limited to 10 mow; agricultural land limited to an area whose net fruit is sufficient for the subsistence of a family of ten; and land required for an enterprise limited according to its scope.

ARTICLE 8. The payment of the purchase price for private land with land debentures according to Article 29 of the Land Law shall be limited to debentures which shall be redeemable in not more than five years.

SECOND SECTION: Land Register

ARTICLE 9. The details of land surveys undertaken in various localities prior to the enforcement of the Land Law, if conformable to the provisions of Article 44 of the Land Law, shall be reported by the competent provincial, district or municipal governments to the central land administrative authority for approval and exemption from a re-survey.

ARTICLE 10. The promulgation of registration time limit according to Article 48 of the Land Law shall be reported to the central land administrative authority for record.

ARTICLE 11. In localities where land registration had been undertaken in accordance with local legislation approved by the central authorities prior to the enforcement of the Land Law, the undertaking of a new registration may be waived. Where the scope of registration is not complete, it shall be completed immediately according to law and a report made to the central land administrative authority for record.

ARTICLE 12. In localities where land surveys had been undertaken, land registration not yet effected, but the recording (of ownership) and issue of certificates therefor undertaken and approved, a general land registration shall be undertaken according to law, and land rights certificates issued. In the collection of fees for certificates and for registration, the amounts previously paid for the former certificates and the recording shall be deducted.

ARTICLE 13. In a locality where a general land registration is undertaken in accordance with the Land Law, on the date of the commencement of such registration, the immovable property registration (hitherto) undertaken by the local Court shall be discontinued immediately. Land previously registered with a Court as immovable property shall be re-registered gratis.

ARTICLE 14. In a locality where a general land registration is undertaken in accordance with the Land Law the original land organs (attending transfers) shall, from the date of commencement, discontinue their duties.

ARTICLE 15. The period for the public notification in accordance with Article 55 and 57 of the Land Law shall be approved by the central land administrative authority on the application of the competent municipal or district land administrative authority through its superiors.

ARTICLE 16. During the period of the general land registration, postponement in reporting for taxation, (white) title deeds not yet taxed shall be allowed and fines leviable therefor shall be exempted.

ARTICLE 17. The forms and sizes of land registration lists, forms, books, and registers shall be decided by the central land administrative authority.

ARTICLE 18. The collection of fees for land registration and for certificates shall not be suspended because of a dissent over the standard land value. But where the standard land value is (subsequently) decided according to law, the necessary adjustment shall be made accordingly.

ARTICLE 19. When patches of farm land in an un-level district are too small in size, adjoining patches belonging to the same holder and within the same land class, they may be amalgamated as one lot and maps made thereof for the register of land lots. Registration, however, shall still be effected on lot basis.

THIRD SECTION: Utilization Of Land

ARTICLE 20. After the promulgation of the classification of land for assigned uses has been made in accordance with Article 84 of the Land Law, land owners shall be notified separately, and a report submitted to the central land administrative authority for reference.

ARTICLE 21. The decision of a minimum land utilization area unit in accordance with Article 31 of the Land Law, and the decision of an area set aside for collective farms in accordance with Article 86 of the Law, shall be reported to the central land administrative authority for approval.

ARTICLE 22. Value of land purchased in accordance with Article 89 of the Land Law may be paid by instalments extended over not more than five years.

ARTICLE 23. The drawing up and revision of city planning measures shall be reported to the central land administrative authority for approval.

ARTICLE 24. Areas (zones) to be opened up by districts in a newly created metropolis or city shall be provided for in the city planning measures. The time for the opening up of the areas by districts shall be decided by the competent municipal or district government in accordance with local needs, but shall be previously approved by the central land administrative authority.

ARTICLE 25. The gross value of land and buildings referred to in Article 97 of the Land Law shall include the legal land value of the land, and the value of buildings as assessed by the competent municipal or district land administrative authority.

ARTICLE 26. In a locality where rental on land is payable in agricultural produce according to local custom, the standard for the conversion of agricultural produce into currency value shall be decided by the competent municipal or district land administrative authority in accordance with the average local prices of the said agricultural produce during the last two years when land value has been reassessed, prices of agricultural produce shall also be decided anew in accordance with actual changes in the situation.

ARTICLE 27. The provisions of Article 114, Items 1, 2, 6 and 7, of the Land Law apply mutatis mutandis in the case of a contract for the lease of farm land for a fixed term.

ARTICLE 28. When a lessee demands from a lessor indemnity for special improvements on cultivated land, in accordance with Article 120 of the Land Law, the value of such portion of the improvements as is still effective may be assessed by the competent municipal or district land administrative authority.

ARTICLE 29. The decision on a reduction or exemption of rental in accordance with the provisions of Article 123 of the Land Law shall be subject to the approval of the central land administrative authority.

ARTICLE 30. The provisions of Articles 115, 122 and 123 apply mutatis mutandis in the case of land held under *yung-tien*.

ARTICLE 31. Plans for the utilization of waste land in various localities shall be decided by the provincial or municipal government, and reported to the central land administrative authority and central land development authority for record. In the case of waste land having an acreage of more than 100,000 mow, the plans may be decided by the central land administrative authority and the central land development authority in conjunction with the provincial government.

ARTICLE 32. In respect of land the ownership of which has been acquired by a cultivator, upon due completion of cultivation of such land, its utilization, control, transfer or inheritance shall be subject to the same provisions in the Land Law and the present Law applying in the case of self-cultivating farmers.

ARTICLE 33. The redemarcation of land in metropolitan and urban areas shall be subject to the approval of the central land administrative authority.

ARTICLE 34. Plan for the redemarcation of agricultural land shall be decided by the competent municipal or district government in accordance with local agricultural and technical requirements, and shall be reported to the central land administrative authority for record.

ARTICLE 35. Where the land value in a redemarcated area has not yet been regulated, it shall be regulated in accordance with law prior to the carrying out of redemarcation.

FOURTH SECTION: Land Tax

ARTICLE 36. In a locality where land value has been fixed according to law, the competent municipal or district government shall immediately decide on the basic tax rates in accordance with Article 169 of the Land Law, the basic land value to which the scale of progressive taxation applies in accordance with Article 171 of the Land Law, the multiple of tax on vacant land in accordance with Article 173, the multiple of tax on waste land in accordance with Article 174, the amount of exemption from tax on appreciated land value in accordance with Article 180, and the tax rate on architectural improvements in accordance with Article 186, and report them through the proper channels to the Executive Yuan for approval of the levy of the land value tax, land appreciated value tax, and architectural improvements tax.

ARTICLE 37. In collecting the engineering benefit fee, a municipal or district government shall submit the detailed rules governing the collection, together with the engineering plans and estimates (of expenditures), to the Provincial Government for transmission to the Executive Yuan for record before actual collection.

ARTICLE 38. Where an engineering improvement on land referred to in Article 147 of the Land Law is not undertaken by the competent municipal or district government, the engineering benefit fee therefor shall nevertheless be collected by the local municipal or district government at the request of the organ undertaking the improvement.

ARTICLE 39. The fee for engineering benefit may be collected in full or by instalments, and the payer shall be subject to the provisions of Article 170 of the Land Law. Failure to pay within the stipulated time shall be dealt with in accordance with measures governing default in the payment of the land value tax.

ARTICLE 40. Rules governing the investigation and assessment of land values and the assessment of values of architectural improvements shall be devised by the central land administrative authority.

ARTICLE 41. In respect of land purchased at standard land values in accordance with Article 29, 33, 34, 89 and 157 of the Land Law, the improvements attached thereto shall be bought over at the same time at assessed values, unless the owner of such improvement voluntarily desires its removal.

ARTICLE 42. After the decision and enforcement of the land value basic tax rate, the basic value to which the scale of progressive taxation shall apply, the multiple of taxation on vacant land, the multiple of taxation on waste land, the amount of exemption from tax on appreciated land value, and the tax rate for architectural improvements, any increase or decrease thereon shall be effected in accordance with the procedure provided in Article 36 of the present law, and shall be decided and promulgated prior to the commencement of the (next) fiscal year.

ARTICLE 43. Tax on land value payable referred to in Articles 173 and 174 of the Land Law means the basic tax payable on the vacant land or waste land (respectively).

ARTICLE 44. Land belonging to absentee owners shall be investigated yearly by the competent municipal or district government, listed, and reported to the Provincial Government for the collection of land value tax thereon according to law. Land belonging to absentee owners situated in a municipality directly subordinated to the Executive Yuan shall be investigated annually by the Municipal Government for collection of the tax on land value thereon according to law.

ARTICLE 45. When the conditions constituting absentee ownership cease to exist the land owner shall report the case to the competent municipal or district land administrative authority, but the provisions of Article 175 of the Land Law shall only be abolished one year after such a report.

ARTICLE 46. The standards and procedure governing the reduction and exemption of land tax shall be decided by a ruling made jointly by the central land administrative authority and the central financial authority.

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ARTICLE 47. When land exempted from taxation becomes taxable land, the land tax shall be levied as from the next (fiscal) year.

ARTICLE 48. When taxable land becomes land entitled to tax exemption, the land tax thereon shall be exempted from the year in which the reasons entitling it to exemption has been established, but land not utilized in accordance with the reasons for exemption shall not be exempted from taxation.

FIFTH SECTION: Expropriation Of Land

ARTICLE 49. An expropriation of land shall be effected, insofar as it is possible without impairing the objective of such expropriation, in areas where minimum damage and loss therefrom will be suffered, and shall as far as possible avoid farm land.

ARTICLE 50. Land expropriation prospectus provided in Article 224 of the Land Law shall specify the following particulars:

(1) Reasons for the expropriation of land.

(2) The scope and area of land to be expropriated.

(3) The nature of enterprise undertaken.

(4) The legal basis for the enterprise undertaken.

(5) Subsidiary expropriation or expropriation by districts, and the area thereof.

(6) Condition of the improvements on the land.

(7) The manner in which they are being used and the names and addresses of the utilizers.

(8) Utilization conditions of adjacent land and conditions of the improvements on such land.

(9) Whether or not there are historic or scenic spots in the area, and if so, details of their present condition and their historical records.

(10) Whether or not agreement has been reached with the land owner, and details of such agreement if any.

(11) Names and addresses of land owners or trustees.

(12) The utilization and disposition of land to be expropriated.

(13) General outline of plans of enterprise undertaken.

(14) Total compensation needed and its distribution.

(15) Total reserve fund and its distribution.

ARTICLE 51. Maps of expropriated land under Article 224 of the Land Law shall contain the following drawings and particulars:

(1) Boundaries of expropriated land in four directions.

(2) Boundaries of various lots within expropriated area and the manner in which they are being used.

(3) Position and names of nearby streets, villages and markets.

(4) Position of buildings and other improvements within expropriated area.

(5) Scale of drawing.

ARTICLE 52. Land expropriation prospectus, expropriation maps, and plans for land utilization provided in Article 224 of the Land Law shall be prepared in triplicate and submitted to the relevent approving authority.

ARTICLE 53. Land utilization plans referred to in Article 224 of the Land Law shall mean plans (drawings) for the structures in the case of a public enterprise undertaking; city development plans in the case of the creation of a new metropolis or city; and redemarcation plans in the case of the enforcement of land redemarcation.

ARTICLE 54. When a case of land expropriation has been approved in accordance with the provisions of Article 222 of the Land Law, after the complete payment of the compensation of value of land expropriated, details of the case shall be reported to the Executive Yuan for approval and record. When a case has been approved in accordance with the provisions of Article 223 of the Land Law, and after the complete payment of the compensation of value of land expropriated, details of the case shall be reported to the Provincial Government for approval and record.

ARTICLE 55. A public notice issued in accordance with Article 227 of the Land Law shall contain the following particulars:

(1) Name of party requiring use of land.

(2) Nature of enterprise undertaken.

(3) Detailed location of land to be expropriated.

(4) Amount of compensation payable on land to be expropriated. A public notice referred to in the preceding paragraph shall be accompanied by a map of the land to be expropriated, and exhibited in front of the competent municipal or district land office as well as at the locality of the land to be expropriated.

ARTICLE 56. A notification issued in accordance with Article 227 of the Land Law shall comply with the following provisions:

(1) Where land to be expropriated has been registered, written notice shall be served on the land owner and parties entitled to other rights according to the names and addresses recorded in the General Register.

(2) Where land to be expropriated has not yet been registered, a notification shall be published for seven days in a local newspaper (or newspapers).

ARTICLE 57. The period for serving expropriation shall commence with the date of the public notice.

ARTICLE 58. The computation and payment of compensation of land value shall be effected by the competent municipal or district land administrative authority on behalf of the party requiring the use of the land.

ARTICLE 59. The liabilities borne by expropriated land shall be liquidated by the competent municipal or district land administrative authority at the time of the payment of compensation, and the balance after the discharge of such obligations shall be turned over to the owner from whom the land is expropriated.

ARTICLE 60. The final transfer value referred to in Article 239, Item (2) of the Land Law shall be based on a registered transfer.

ARTICLE 61. The removal of ownerless graveyards in accordance with the provisions of Article 246, Paragraph (2) of the Land Law shall be published ten days in advance, for a period of not less than seven days.

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Revival Of "Adolf The Great" Myth Being Attempted Here

By J. R. KAIM

IN recent weeks many Letters To The Editor written by admirers of the vanished German Fuehrer and his Nazism, on the one hand, and answered by opposing newspaper readers, on the other, have appeared in the local press. It is time to find out what is going on. It is time to recognize what has caused wholehearted and halfhearted Nazis to crawl out of their holes. It is time to study the background of these questions.

The first Hitler-glorifying letter to come to this writer's attention appeared in March in *The China Press*, I wrote the first answer myself, signing it J. R. K. I did not try to find out who the Nazi-minded writers were; too many such letters are signed with fictitious names and give false addresses. More important than names is the fact that while matters in Germany go from bad to worse and misery stalks the land, admirers of Hitler are starting campaigns to make the man remembered as a hero and demi-god.

In Germany where the old and the weak are quietly dying off, the people ask themselves why, in the name of Heaven, they are now suffering as much as the victims of Hitlerism once suffered in concentration camps. Germany is on the brink of a double crisis—moral and political. With nutrition standards in Germany below the level of mere malnutrition, with discontent growing into desperation, the time has come for Nazi admirers abroad to start synchronized propaganda.

Trend Revealed

In one of his letters the foremost save-Hitler's-name author wondered if one of his opponents "did ever attack the great German leader openly, when the world was still in doubt of the outcome of the second Great War." I do not know the identity of the man to whom this statement referred nor whether he did or did not attack "the great German leader" before 1945; I do believe this letter indicates the line to be followed by Hitler's admirers.

For Mr. Hitlerite knows, of course, that hundreds of thousands of anti-Hitler articles, and thousands of books and pamphlets, all signed by their authors, were published before the war as well as during the victorious destruction of half of Europe by the Nazis. Mr. Hitlerite also knows that here in Shanghai anti-Hitler articles were published until Japanese occupation made such work impossible. He and his friends certainly know that German diplomats, as was their duty, tried to stop anti-Nazi publications before Pearl Harbor. In many cases they were successful. My weekly anti-Nazi articles, for instance, were suppressed upon intervention by the German Embassy. So far as I know the German official who took action still lives in China.

But let bygones be bygones. For more important than to remember what happened seven years ago is to recognize what is happening now.

Alexander The Great!

Here in Shanghai we are now witnessing a still somewhat tentative attempt to rebuid the Hitler legend; to make Hitler appear a great leader, the counterpart of Alexander the Great. We know the text and we know the tune.

It is therefore necessary to make it quite clear that the world wants to be rid of everything reminiscent of Fascism and of all for which it stands. While it is true that the history of government is in large measure the history of "man's inhumanity to man," political sadism has been brought to exquisite perfection by that group of men who were headed by "the great German leader."

The use of terror was not a Hitlerite invention. Brutality has been used by other dictators. To quote Frederick L. Schuman, Woodrow Wilson Professor of the University of Chicago, 'mass terrorism has been resorted to by ruling classes in modern times only to safeguard a regime from imminent danger of destruction or to paralyze and wreak vengeance upon those who have temporarily succeeded in depriving an elite of its property and power."

This was the case in the French Revolution; it was the case during the French Communards fight in Paris, 1871; and also during the White Terror and the Red Terror in Russia. Beating and murdering of anti-Fascists, the slaughter of Austrian workers in Vienna in 1934, the mass executions in Nazi Germany, all the sadistic acts of the Hitlerites were perpetrated although there was no war, no revolution, not even organized opposition.

If all the crimes committed by and in the name of Hitler were virtues, then he might be Alexander's counterpart.

Bloodshed Extolled

Nazi terror was of a peculiar character before as well as during the war. To quote Schuman, the German terror "was less a political weapon against foes than a channel for the discharge of the long-accumulated aggressions of the many botched and bungled personalities who had flocked to the Swastika banner. These men and their highest leaders....had long extolled brutality and bloodshed as "virtuous." No political scheme based on such a philosophy can have "good qualities" that "should be respected," as we are now told in Shanghai.

Men who emphasize that they are "not Nazis in the full sense of the word" maintain that while the Nazis have lost the war, it would be better not to search for culprits. That while it is *claimed* that Hitler started the war, we should sit down and study his philosophy.

However, those who have fought Nazism from its very beginning—and have suffered for so doing—and who are now fighting the renaissance of Hitlerite philosophy and the attempt to build up the Hitler legend, are certain that what is now happening in Germany is wrong from Alpha to Omega. The Germans are starving. They are, and no wonder, rebellious. There is no real work, no rebuilding. While at the beginning of the occupation there was some sort of differentiation between Nazis and non-Nazis, Hitlerites and anti-Hitlerites, the Germans are now suffering as a whole. The innocent suffer with the guilty, the victims with their former brutal masters.

Promised Liberation

In hundreds of letters sent from Germany by anti-Nazis, former underground workers, it is explained that what is happening in Germany is unjust and amoral. Trembling and in secret they listened, when it was dangerous, to Allied broadcasts, such letter writers state. They were told what they should do to fight the Hitlerites and they did it. They were told that once Hitler and his henchmen disappeared, the German people would be liberated, and they believed it

They followed the advice given them. They lived in double danger. They were bombed together with their Hitlerite adversaries. They knew that bombs would not distinguish between good and evil, between Nazi and anti-Nazi. But they believed that men would do so. Obviously, they were wrong.

By starving one's enemies one cannot hope to build a better world. By driving millions to desperation one cannot destroy Hitlerite philosophy. On the contrary, no better means of strengthening totalitarian *Weltanschauung*, whether brown or red, could be devised. By starving people to desperation one helps to create exactly that kind of Hitler myth with which we are now confronted, though only in pocket edition, here in Shanghai.

Warning Sounded

In spite of the many grave errors committed by those responsible for political developments in Central Europe—fraternization on the one hand and starvation on the other—one cannot let clandestine Hitlerism grow. No man with a knowledge of psychology and history ever believed that Nazism would simply disappear with military defeat. But to give a new chance to Hitlerites, secret or avowed, of whatever nationality, would be political stupidity.

Nor can one abandon the postulate of the German nation's collective

Compromise In The Chinese Style Said Trend In French Politics

By JACQUES DECAUX

(Special Correspondent, The China Weekly Review)

Paris (By Air Mail).

AN editor of the *New York Herald Tribune* describes the present phase of French politics as "the days of ambiguity." Maybe the art of compromise is part of the ambiguity; we do think that this art is reaching its apex in France today. It has never been a part of the French temperament, however verbose, to compromise so much. They have always prefered to call a cat a cat. Nowadays, if you are clever enough, elusive enough, a cat may become a horse, a dog, a 20,000 horsepower airplane or the moon. It is only necessary to have the know-how.

How did this happen? To cut a long story short, after the liberation of France it was shouted from the housetops that "collaborators" would be tried and hanged according to their deserts. Small fry were punished while the "big shots" were unharmed. They had done big business with the Germans, they were carrying on with the Americans and, as the French treasury was at a very low ebb, they offered a penance of a few million francs each. To appease public opinion, some ex-collaborationists were tried with due publicity while the rest went about their business in luxurious Packards. That is compromise.

Controlled Economy

The hated Germans were out of the picture. Therefore, it was thought that production and consumption would rise quickly and that everybody would be able to enjoy good food and democracy. The French people have an opportunity to practice democracy practically every day—but no good food, and the cost of living is tremendously increased. Of course, the Government alone is not to blame, especially as the country was badly damaged during the war. Planned economy seemed the only way out.

The Government has increased the working week from 40 to 48 hours. At the same time the ministries of Industrial Production and National Economy have cut raw materials allotted to industry by 10 percent. This means that workers will work longer to produce less. That is compromise.

A five percent decrease in all prices has been instituted twice within a short period of time. Everyone was to observe it in good faith. But the nationalized industries managed to raise all their prices on the very same day the decrease, on both occasions, was to become effective. Railway fares skyrocketed from 130 to 200 percent on suburban lines. That is compromise.

Budgetary Problem

The national budget for 1947 was a great source of trouble, but financial authorities found a way out. The expenses are divided into two parts. The first part is covered by normal state revenues. The other part is financed by future expectations. The total budget is 475,000,000,000 francs. Of this sum, 300,000,000,000 francs will be covered by normal income. Of the remainder, 85,000,000,000 francs is to come from local collective organizations and nationalized industries, and 90,000,000,000 francs from private enterprise—industrial, commercial and agricultural. Simple enough. It only remains to be seen how and when all this money will materialize. The 235 pages of comment—accompanying this "Extraordinary Budget" propose no solution. They compromise with elementary arithmetic and rest happy.

Political Aspects

But this trend is apparent not only in economic affairs but in higher politics.

The new French Constitution is the result of a compromise between the major parties. The people voted; a third pro, a third con, a third abstaining.

Following the adoption of the Constitution, the three parties—Communist, Republican Christian (MRP), and Socialist (together with the Union of the Republican Left Wing), being of equal strength, divided the ministries among themselves. Their various policies are opposed; they hate each other. On outstanding issues, they compromise, bargaining for their respective positions in a game of give and take.

The Constitution is such that the Government cannot be overthrown by the National Assembly; it can only dissolve itself. This would have happened long ago if each party had not understood that no good would have come of a reshuffle. Dissension is particularly apparent on two issues.

Points Of Contention

The first is the firing of 50,000 state employees. The Government employs twice as many persons as are needed, and according to the budget reducing policy 50,000 out of 1,500,000 are to be discharged. The whole government backed this firm step. But it was not carried through because the Communist party opposed the firing of any of its own followers. Out of the 50,000 to be discharged by February 28 last, 17,000 have been dismissed, as was triumphantly announced last week.

The second controversial issue is Indo-China. Lately the subject has been disputed—even physically—by ministers and representatives. Finally, a vote of confidence was accorded President Ramadier by the whole Government. Even Communist Minister of State Thorez (the French Mao Tse-tung) voted it, while all the Communist members of the National Assembly abstained from voting. This apparent division led some correspondents to believe that the Communist Party was being split and that some prominent members were turning French instead of remaining Moscow puppets. We believe that, symbolically, the Communist Party had its way while the Government coalition was not disrupted.

Delicate Balance

The only issue on which the whole government and all the parties are agreed, is the peace treaty with Germany which Foreign Minister Georges Bidault is negotiating in Moscow. Outside of this, it seems that everyone is aware of the necessity for a clearcut policy on all fronts. It is foolish to expect any good to come from this strict economic control by a multiparty government. It is destructive even if the Government puts on a good face about its unity of purpose—which does not fool anybody.

Moreover, the Government and all the parties feel that the Constitution they have written is full of dangerous pitfalls. Therefore, compromise is the only means to avert a move that might precipitate France either into an all-out Communist revolution or a right wing dictatorship.

All this while, in the turmoil, the French people suffer. But they show an outstanding ability to cope with any situation. For the many achievements in the field of reconstruction they have only themselves to thank; their own ability and capacity for work. The government does not happen to be of any help. The French people are a stable and reliable factor, and for this reason it seems that a way out will be found, out of political and economic instability, out of the aftermath of war and devastation.

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guilt. The meaning of this term may be open to discussion. It does not mean, of course, that every German, regardless of his actions and reactions, is guilty. What it does mean is combined responsibility of the mass of Germans for the deeds of the Reich as their organ, and for the latter's activities as carried out by its diplomatic and cultural representatives.

But while quite a few such diplomatic and cultural representatives are still permitted to live a quiet life somewhere in the world, hundreds of thousands of the adversaries and the victims of the great German leader's policy and philosophy are starving in Europe. Against this background are exerted the efforts of hoodwinked, disguised Hitlerites to erect that monument to a great man and leader which, if Hitler's disciples are permitted to prevail, may grow into a wonderful mysterious legend of Adolf the Great, still living somewhere and waiting for the day of resurrection.

Constant Fear Of Death, Tyranny Cause Honan Farmers To Flee

By DUNCAN LEE

(Special Correspondent, The China Weekly Review)

Kaifeng, April 1.

AN unpleasant three days' journey brought me to war-devastated and deserted North Honan. The sand storms that rage in the Kaifeng-Chengchow area showed little signs of abating. Most of this part of Honan is under constant threat from the Communists, who either dynamite the railroad bridges or make sudden raids on strategic localities. A large number of troops are stationed in every big town or village; many small blockhouses of earth and clay are being built, and long trenches dug along both sides of the Peiping-Hangkow Railway.

The train labored across the Grand Yellow River Bridge and came to a stop at the first big town of Sinsiang, junction of the Peiping-Hankow and Tsinghua-Taokow lines. At present only the west section (Sinsiang-Chiaotso) functions, so that large amounts of coal can be brought out from Chiaotso, the noted coal mining center in North China.

But according to recent reports appearing in the Sinsiang newspaper this coal mine, which supplied the Peiping-Hankow Line in prewar days, can only put out three tons of coal a day, due to bad equipment, and to the fact that the Communists partially destroyed the mines when they retreated last year.

Honan Unfortunate Victim

As I traveled farther, stories of queer and enthralling events presented such a picture of North Honan that I was convinced that most of the tales I had previously heard about this province were untrue. It is instead the most unfortunate victim of all types of man-made suffering.

I stayed one day at Chihsien (Weihuei), in the central part of the province. It is the third largest hsien and boasts one of Honan's biggest cotton mills. The old city wall is two miles to the east of the station. After interrogation and examination by sentries, I entered the city where a view of ruined palace building and heaps of debris struck deep melancholy into my heart. It seemed as though I had set foot on a wasted old island formerly inhabitated by a few nobles.

After many inquiries, I was badly embarrassed in not being able to find a lodging place. However, thanks to my ricksha boy I was admitted to a small inn—the only one open in the city, I was told. I was even more annoyed to find no restaurant open, but after a long search I finally found a hole-in-the-wall type of kitchen.

Troops Bitterly Hated

The cook-and-keeper scrutinized me with doubtful eyes and received me with hesitation. The reason for this soon became clear when a soldier entered and asked for food. The keeper flatly refused him, saying that he had sold all he had.

When the soldier left the keeper launched into a tirade against all soldiers, saying that most of them refused to pay for their meals. He declared that most of the food shops and hotels had been forced to shut down as a result of their illegal practices. Inhabitants here, he swore with great violence, were often exasperated when the soldiers not only occupied their houses, but confiscated their food and burned their furniture for firewood.

Next morning, the frightening sound of machine guns and the detonations of cannons awoke me. Nervously, I went to the innkeeper, who told me that although fighting was common in the area, this happened to be soldiers conducting field maneuvers.

The bridge near Yikow Station, half way between Chihsien and Anyang, had been dynamited by the Communists by the time I reached Anyang, Honan's north frontal district, beyond which are the so-called "liberated area." The Peiping-Hankow Line is interrupted here.

The most striking features of this city to a newly arrived visitor, are the dirty, underfed soldiers in their ragged cotton-padded uniforms who use the civilians' dwellings as freely as though they were their own homes.

"Royal Masters"

At night the soldiers act as though they are the "royal masters" of the city. Martial law is enforced and curfew is at 8 p.m. Anyone found on the streets or lanes after that hour is put in jail, with the exception of army officers who stroll around at all times. According to the inhabitants of the town, many of the robberies, black market activities and opium sale cases involve soldiers.

Encouraged by the Japanese, heroin and opium dens are numerous here in Anyang, though drastic measures were taken to put a stop to them shortly after the Japanese surrender. Smokers may indulge in this vice at any time of the day or night.

Prostitutes and brothels are flourishing. Most of the ill-fated girls are refugees from occupied hsien nearby. The local authorities are trying desperately to check them, but have had little success so far.

Due to the tense situation created by frequent seesaw skirmishes between Nationalist and Communist troops in the neighborhood, and due to Anyang's remoteness from the Provincial Government Headquarters, malpractices, graft and corruption continue to flourish.

Chao Tze-chen, the number one fisher in troubled waters, reaped an incalculable amount of money from Japanese and collaborators' properties, misappropriation, embezzlement, sale of ammunition and opium, during his one year of service as the 3rd Executive Commissioner at Anyang. Eventually, he was forced to resign although many of his underlings tried to bribe those in power to have the order nullified.

Refugees in Dire Need

Refugees, numbering approximately 200,000, from 17 districts around such as Neihuang, Lichang, Wuan, Sehsien, Linhsien and Taming, are concentrated here and in dire need of relief. Their exiled district governments are busy enrolling them in order to facilitate the distribution of food, clothing and money.

I paid a visit to one of the distributing centers on a blinding sandstormy day. Stacks of UNRRA soya flour were heaped up awaiting distribution to some 1,300 Neihuang hsien refugees. They were sitting, lying or standing around, heads drooping, awaiting their turn to receive the precious flour.

I was deluged with stories of Communist atrocities when I asked why these people had forsaken their homes. From what these refugees and their district authorities said, it is possible that this small hsien on the Honan-Hopei-Shantung border is a typical sufferer from government, Communist, guerrilla and militia oppression.

This small county is divided, with Communists on one side and Nationalists on the other. Both sides are exacting severe penalties and torturing the people. I heard of about 20 new and cruel forms of torture, the victims mainly being so-called "big landlords" and "reactionaries."

Landlords Buried Alive

"'Does he deserve the death penalty?" asks the judge, when a "big landlord" is brought before the tribune. "Yes, he does," the paid mob will yell. "Why?" "Because he owns 30 mow of land." And then the "criminal" will be buried alive.

In the latter part of January, when the Central troops occupied the city wall, hundreds were killed on charges of collaboration with the Communists; when the Communists re-entered the city a month later, they killed even more in retaliation.

At present, all the western and northern parts of Neihuang are held by the government, and the situation there is even worse. People are almost smothered to death under heavy illegal taxation. It is reported that six regiments of irregular troops are stationed there and all are being supported locally. They are:

(1) Provincial Pao An Tuei (Peace Preservation Corps);

(2) Home Guard Corps of 3rd Executive Zone;

(3) Neihuang Hsien Home Guard Corps;

(4) Town and Village Guards;

(5) Nanlo-Neihuang Allied Commandos; and

(6) Taming Militia Corps.
Each comprises one regiment.

Victims Of Tyranny

Of all the most sinister and tyrannical practices, the Home Guard Corps has perpetrated the worst. Its commander is Chang Tao-sheng, formerly a big bandit and chief of the Japanese-sponsored East Asia Independent Allied Army. Following the Japanese surrender, he was ordered to reorganize his bloodstained gangsters into an irregular Government Army! To him, money and assassination are the best means of covering his criminal deeds. People under his despotic rule are not allowed to murmur one discontented word. If they do, their whole family will probably be assassinated. He is immensely wealthy and is ready to bribe or otherwise reward anyone who praises him!

Finding that neither Communist nor Government rule could alleviate their misery, almost half the population has fled to neighboring hsien, where many of them now face starvation with the coming of spring.

They told me that most of the arable land occupied by both sides is lying in waste, because all the able-bodied men have gone. Many villages are uninhabited. Draft animals have almost disappeared. The Hsien Political Council says there are only five donkeys in the whole of Neihuang city.

Fact Or Fancy?

That night I was fully occupied in thinking over all the things I had heard. Rumor and truth were fighting within me. It is a fact that the present Government has disappointed the people: but how about the Communists? Could all the atrocity stories involving them be fabrication? If they were how could it be that people from different parts have had the same bad experience?

There are many who try with flowery adjectives to paint the brighter aspects of life under the Communists, but they fail to mention the dark aspects which do not suit their purposes. I fear the fine pictures they paint may not be based on fact. The Communists may have elaborate plans and schemes, but so has the KMT. Today China demands "action" not "words," and wants to see these plans implemented.

I am not ready to believe all these ignorant refugees' stories, but the fact that hundreds and thousands of peace-loving, honest farmers have deserted their beloved homes and are now rushing out of the "liberated" areas, challenges the Communist method of putting into practice their fine plans.

Life All Too Cheap

These people agreed with me that land and property should be distributed, but "possession of land" must not always be a criminal offense. Most of the refugees said they would be happy to see a reasonable redistribution, but they could not, under any circumstances, live under constant fear and threat, where a slip of a single word may bring death.

Europe First, British Press View; Truman's Bluntness Deplored

By C. Y. HSIEH
(Special Correspondent, The China Weekly Review)

London, March 17.

TO discuss or not to discuss China's internal situation—that is the question facing the Big Four now meeting in Moscow.

Here in London, there is no attempt to minimize the dilemma which arises, owing to the need to outweigh an assessment of the case on its own merits with broader international consideration. It is felt that there can be no valid objection to a discussion, whether formal or informal, inside or outside the conference, provided China is represented. Indeed the combined influence of the Powers working together instead of at cross purposes, would be most conducive to a settlement of the Kuomintang-Communist struggle.

But harmony is still lacking, and in the midst of unrelaxed international tension, Russia's initiative in introducing this matter has met with a very poor reception.

Discussion Not Welcome

"M. Molotov's sudden proposal to discuss the situation in China," says the *Spectator*, "was characteristic of Russian dipomatic methods. Whether it will be discussed is doubtful; whether it should be discussed is arguable. If real harmony existed between the Foreign Ministers, the influence they might severally exert on the different sections in China might be valuable and effective. But harmony on that scale can hardly be counted on; there is a natural objection on the part of Britain and America to discuss China in her absence, and a still stronger objection on China's part to being discussed at all.

"In those circumstances, any formal discussion is calculated to do more harm than good. There is technically a Big Five, and China, for better or for worse, is one of them. Informal discussion of this or any other question is another matter, and the more of it the better. It is satisfactory that M. Molotov has agreed to that, but his desire to issue a communique at the end of the Chinese conversations would effect the formalization it is desirable to avoid. Mr. Bevin was wise to reserve assent to that proposal."

U.S. Withdraws In Disgust

That interference by outside Powers can do no good is also the view taken by the *Observer*, which reads opportunism in Russia's latest move. "America, having apparently withdrawn in disgust from China," it states, "now is the time (from the Russian viewpoint) to prove that Communist Codlin, not Capitalist Short, is the friend indeed. China, bitterly remembering how her Manchurian interests were given away behind her back at Yalta, has made it clear that she will brook no discussion of her affairs with or without her. The plain truth is that only China can solve her own troubles."

The paper goes on to note that the cleavage between the Government and the Communists has been made complete by the expulsion of Yenan's representatives, and may lead to wider disunity in view of recent ominous signs of a breakaway in south China. "What matters," it concludes, "is the formation of a coalition government that will finally break the power of the Kuomintang reactionaries."

Conclusions Differ

The deterioration of China's internal situation is described at some length by the *Economist*, but this journal draws somewhat different conclusions with regard to Russia's action. "The Chinese civil war," it declares, "is a fact which other nations cannot altogether ignore or isolate. Consultation among them (the Big Four), may be of value if it serves to limit the international repercussions of the trouble." It stresses the fact that Russia's request was merely for a review of the decisions taken about China by the three powers in December, 1945, at a conference not attended by China, when they agreed on the need for a united and democratic China and an end to the civil strife.

While open discussion is now believed unlikely, in view of the lack of concert among the powers and China's determined opposition, the chances of private talks are not ruled out. Thus Molotov's question and the query about the size of Russia's force in Eastern Europe, made by General Marshall in retort, may, in the opinion of the *New Statesman and Nation*, be discussed privately by the Ministers, as well as other important matters not appearing on the Conference agenda.

Undiplomatic Language

Reynolds News thinks that General Marshall will be willing to exchange information in writing with M. Molotov, on the question of American troop withdrawals from China. This paper sees great mischief in the blunt and undiplomatic language of President Truman's appeal for aid to Greece and Turkey. "Messages from Nanking," it deplores, "indicated that the Chiang Kai-shek Government has interpreted the U.S. move as a sign that it, too, will be supported in its fight against the Chinese Communists."

Underlying most of the newspaper comments on the subject, there is a tone of impatience that the question of China should have been brought up in the Moscow Conference.

For Britain, the main business in these discussions is Europe, and especially Germany. Everything else can wait.

The Cost Of Living Index For Military-Official-Educational Class In Nanking Since May 1946

By YIN-YUEN WANG

Nanking, March 27.

THIS article is written to disclose the rates at which the cost of living index and the actual purchasing power of the salaried classes of military-official-educational (M.O.E.) workers in Nanking have advanced since the capital moved to Nanking. After V-J Day all people thought that they might be better off than during wartime. However, in contrast with the actual situation this has proved to be a dream. Prices are still advancing by leaps and bounds owing to the civil war.

The Making of Index Numbers:— During wartime, the Department of Agricultural Economics, University of Nanking compiled an index of the cost of living for the military, official and educational classes in Chengtu. Thirty families in this class were visited and a record was made of the kind and amount of various commodities consumed by each family during the year 1937.

Using Atwater's scale the adult-male-unit was calculated for each one of the 30 families. By dividing the total amount of commodities consumed in the 10 families in each occupation by the number of adult-male-units in that occupation, the amount of commodities consumed by each adult-male-unit was discovered. The average for the class was then obtained by taking the weighted average of the three occupational averages, each of which was weighted according to its prevalence in the population of Chengtu (Table 1). These averages were then employed as the weights in calculating the weighted aggregate index for the M-O-E class.

Table 1—The Number of People and Percentage of Distribution in Three Occupations of M-O-E Class in Chengtu, 1934.

Occupation	Population	Percentage
Military	23,331	51.7
Official	8,371	18.6
Education	13,377	29.7
Total M-O-E class	45,079	100.0

It was found that more than 120 commodities were consumed by these 30 families. Of these 70 commodities were included in the index. Their value amounts to 85.77 percent of the total consumption of the 30 M-O-E families in terms of prices of the base period.

By the use of retailers' accounts the prices of various commodities before March 1938 were obtained and the prices after March were collected by investigators of the Department. In this study house-rent is a weighted average per adult-male-unit paid by the 30 families.

The weighted aggregative method has been used in calculating the index numbers (Lasperyres' formula, index $= \frac{\Sigma P.Q.}{\Sigma P.Q.}$). The monthly average from February to June 1937 is taken as 100.

The same method is used in calculating the index of the cost of living for the M.O.E. Class in Nanking, only the weights obtained in Chengtu are substituted. Since the M.O.E. classes have not been living in Nanking for a whole year as yet, the investigation of weights cannot be carried out. Some consumer's commodities of the Chengtu index which are not commonly used in Nanking have been changed for more suitable ones. For instance, soybean oil has been used instead of rapeseed oil. The weight for house rent has been re-investigated. Data from a sample of thirty families of the M.O.E. class has been collected. The standard room per adult-male-unit for Chengtu is 85 square *shih* feet and that for Nanking is 71 square *shih* feet. There are 67 commodities included in this index; 27 in the food group, 10 clothing, eight fuel and light, 20 miscellaneous; house rent includes the rent and the monthly interest on deposit (Table 2).

Table 2. Commodities included in the Cost of Living Index of M-O-E Class and Their Respective Weights.

Commodities	Weights	Unit
Food:		
Rice	24.54	shih tou
Broad beans ...	0.26	" "
Wheat flour	2.20	shih catty
Noodles	10.65	" "
Pork	29.64	" "
Beef	8.71	" "
Mutton	2.24	" "
Lard	9.76	" "
Chickens	8.04	" "
Eggs	104.18	piece
Bean oil	11.99	shih catty
Sauce	8.91	" "
Salt, powdered	10.86	" "
Sugar, white ..	5.78	" "
Wine, kaoliang	4.34	" "
Leeks, blue	43.86	" "
Cabbage, rolled..	82.06	" "
Lettuce stems...	136.29	piece
Soybean sprouts	47.11	shih catty
Onions	33.47	" "
Bean curd	106.00	piece
Mustard root ..	66.95	shih liang
Mung bean starch	7.53	shih catty
Pepper, powder.	6.69	shih liang
Salted turnip ..	5.48	shih catty
Tea	1.10	" "
Candy, peanut..	658.78	piece
Clothing:		
Shirtings, white, native	7.84	shih foot
Shirtings, white	11.16	" "
Shirtings, blue..	4.99	" "
Crepe	4.20	" "
Gabardine	1.99	" "
Woolen serge ..	3.41	" "
Cotton	2.17	shih catty
Shoes, venetian	1.14	pair
Shoes, leather..	0.40	"
Socks	4.83	"
Rent:		
Rent & Interest rate on deposit	1.00	standard room monthly (1)
Fuel and light:		
Coal	0.064	shih picul
Charcoal	0.33	" "
Red candles ...	571.43	pair (2)
Kerosene oil	1.32	shih catty
Electricity	8.65	kilowatt hours
Electric bulb	0.28	each
Electric wire	0.03	coil (3)
Firewood	13.206	shih picul
Miscellaneous:		
Face cream, butterfly	0.09	Jar
Toothpaste, three stars	1.08	box
Soap	6.16	cake
Towels	2.45	each
Adhesive tape ..	14.53	inch
Alcohol	3.35	pound
Aspirin	79.37	pill
Chinese drugs ..	0.79	dose
Tuition	0.43	student, year
Text book	1.71	set (4)
Ink, Mingsen ...	4.92	bottle
Letter paper ..	11.49	100 sheets
Cigarettes, Ruby Queen ..	24.53	pack of 10's
Tobacco, loose..	7.54	shih liang
Cooking pan ..	0.15	each
Bowl	2.29	"
Boiling water	48.89	kettle
Movie	30.03	ticket
Wages, maid servant	0.48	servant, month
Ricksha fare ...	389.70	kilometer

(1) Standard room = 0.71 Sq. *fong chang* (= 71 Sq. ft.)
(2) Pair = 2 *liang*.
(3) Coil = 100 yards.
(4) Set = A combination of 3 text-books (Chinese reader, English reader, and arithmetics).

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Changes in the Cost of Living (May 1946 to February 1947):—The cost of living indexes for recent months has been tabulated in the following table.

Table 3—Index Numbers of Cost of Living for Military-Official-Educational Class in Nanking. (Weighted aggregative method), January—June 1937=1. (1)

Date	General	Food	Clothing	House rent	Fuel & light	Miscellaneous
1946						
May	5,715	5,106	7,080	6,927	8,884	4,641
June	6,368	5,434	7,592	9,367	10,077	4,889
July	6,445	5,126	8,536	9,844	9,079	5,316
Aug.	6,778	5,317	9,167	10,039	9,499	5,720
Sept.	8,682	5,881	9,872	12,876	12,046	8,294
Oct.	9,900	7,515	12,008	13,280	15,307	8,759
Nov.	10,111	7,141	12,669	13,447	15,241	9,463
Dec.	10,690	7,615	13,895	15,071	15,574	9,782
1947						
Jan.	11,814	9,322	14,951	16,003	17,494	10,225
Feb.	14,484	12,190	18,709	16,003	21,806	12,839

(1) From "Economic Weekly" New Series No. 1 Feb. 26, 1947, Department of Agricultural Economics, University of Nanking.

The cost of living index for the M.O.E. class in Nanking had advanced to 5715 times the pre-war level in May 1946 and to 84 times the pre-war level in February 1947; a total increase of about one and one half times the May figure. A suitable gauge of the trend of the cost of living is to figure the rate of change, i.e., the ratio of the index for each month to the cost index for the preceding month. The geometric mean of these ratios is taken as the average for the period from May 1946 to February 1947 for the general index of cost of living of 67 items in Nanking, this ratio has a value of 110.4, which means that the living cost for each month exceeds the cost of the preceding month by 10.4 per cent. In other words, the average monthly rate of increase of the living costs in Nanking has been 10.4 per cent, when all variations in different months are smoothed out and the trend alone is considered.

This ratio was especially high in September 1946 and February 1947 (as shown in table 4) the rate of increase was greater by about one-fourth than in the previous month. The cause for that might be the raising of the foreign exchange rate and the large par-value notes issue.

Table 4—The Ratio of Index Numbers of Cost of Living for Military-Official-Educational Class in Nanking (Preceding month=100).

Date	Ratio
1946	
June	111
July	101
Aug.	105
Sept.	128
Oct.	114
Nov.	102
Dec.	105
1947	
Jan.	110
Feb.	123
Geometric mean	110.4

The fuel and light, and the clothing groups advanced more rapidly than other commodity groups. The cost of fuel and light advanced to 21,806 times the prewar level in February 1947 and the clothing group advanced to 18,709. Even the lowest, the food group, was 12,588 times the prewar figure.

The purchasing power of the M.O.E. Class under pressure of the high cost of living:—As the index of the cost of living is changing, rising or falling, the purchasing power of the *yuan* in the consumers' hand varies inversely. A rise in the cost of living, leads to a decrease in the purchasing power of the *yuan*. The purchasing power of the *yuan*, expressed in terms of the cost of living in February, 1947, is only 0.0000691 of the prewar *yuan*. Ten thousand *yuan* is equivalent to 69 cents of the prewar *yuan*. The M.O.E. classes have more or less fixed incomes and the higher the index of the cost of living, the lower is their standard of living. The present payment of salary and subsidy by the government to officials is 1,100 times the basic salary with a cash subsidy of CNC$170,000, Total monthly income is CNC$346,000 for an official whose basic salary is CNC$160, about 2,162 times the prewar level. But the general cost of living index for the M.O.E. class has advanced to 14,484 times the prewar level. Nominally the income of the M.O.E. class has increased, but compared with the higher cost of living, the real income (actual purchasing power) is only 14.9 percent of the prewar level. This is as if the government only paid salaries at a discount of 85 percent of the value of the prewar *yuan*. Since it is difficult for the M.O.E. class to live, one can hardly talk about political efficiency, and demoralization will probably occur. If the civil war continues, the government budget will never be balanced, economic activities will not return to normal and the value of the currency will never be stabilized. Hence the fundamental problem should be solved politically and immediately.

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TO offset the demonstration by university students against the American military forces in China early this year, the local authorities, including the Tangpu, succeeded finally in organizing a demonstration against the Soviet Union. It was carried out on March 14, three days after Molotov's proposal that China be included on the agenda of the present Foreign Ministers' Conference in Moscow. March 14 was also three days after President Truman's challenge to the Soviet Union, in his speech to Congress calling for material aid to Greece and Turkey to guarantee their freedom and integrity.

On March 13, the day previous to the demonstration, notices could be seen in some universities, saying that in response to the call from on high the students were requested to be present at the mass meeting being held next morning, in the court before Tai Ho Tien (formerly the emperor's court). Meanwhile, the heads of paos visited every family to pass the word from "on high" that every family should be represented by at least one person, male or female, in the demonstration. At the same time, principals and masters of middle and primary schools requested their students to gather at the athletic fields at seven o'clock on the morning of March 14, and promised them one day's holiday, but added: "Anyone found absent from the demonstration is to be recorded as being neglectful of school."

Dignitaries Demonstrate

The masses were flowing in when Mr. Ho Sze-yuan, Mayor of Peiping, drove into the court before Tai Ho Tien. He stepped from his car and waved his hands in an expression of appreciation and encouragement. The masses hailed him. He kept nodding his head right and left, and walked into the Tai Ho Tien, disappearing behind scenes. While speakers and agitators shouted their hatred against Russians and Communists, Mr. Tang Yung-hsien, head of the police bureau, was busy disguising himself as a "lao pei hsing." Having finished, he stepped onto the platform and began to talk in the name of the toiling classes. Then he was "elected" the conductor-general of the demonstration.

The parade was formed of persons of every walk, at least their costumes were intended to make you so believe. However, middle and primary school students constituted the main force, say about 80 percent, of the parade. In spite of warnings and threats by the heads of paos the previous day, very few of the families in Peiping sent representatives. The banners of Tsing Hua and Yenching universities could not be found in the parade, while under the school banner of Peita (Peking University) there were only about 100 students, quite a few of whom belonged to other schools and circles, as one student of Peita, who accompanied me throughout the demonstration, remarked.

Induced Opinion

Having had various new ideas implanted in their brains, the demonstrators, nearly 10,000 in number, marched out of the court, armed with banners, handbills, posters and chalk with which it was "suggested" they write slogans on everything they thought suitable.

The students of the Chao Yang Law College started a breach in the demonstration when having heard so many absurd slogans, such as " 打倒朱德 " (which means to put Chu Teh to death and root out Mao Tzetung in word while to kill the pigs and pull out the hairs in sound), at which many bystanders laughed and most puzzled, the law students asked the conductor-general to add some really patriotic slogans, such as "Anti Civil War." The disguised police head, Mr. Tang Yung-hsien, argued with the students for quite a while and turned down their proposals. The students were so irritated that they began to call him names. He might have been insulted far more if the police both in uniform and multi had not come to his rescue.

As a result, the students of Chao Yang pulled out of the parade and held a separate demonstration.

Desertions were seen from the very beginning of the demonstration. After the quarrel and breach, their number increased rapidly. The girls rolled up their paper banners and put them stealthily into their sleeves, slipped from the ranks and hid themselves behind the lines of bystanders.

The rank and file demonstrators were either chatting about some other subject, or maintaining dead silence. The slogans shouted by the conductors were merely repeated. In very sharp contrast with the spirit shown by the anti-American demonstrators, all of whom were university students and conscious of the magnificence of the demonstration—aimed against the reactionary American policy toward China and the foreign and domestic policies of the Chinese Government—no sincerity or cordiality was in their expressions and their voices. This defect, I should say, undermined the demonstration. The bystanders not only watched the procession casually but laughed at and then criticized it. As my friend and I were standing in the line with bystanders at the crossroads of Sitang, West City, we overheard the following whisper:—"Be careful and put your hat on, friend, or your hair will be pulled out....See, all are slipping away! It is far worse than when the Japs were here (to rule)." Commenting on the slogan, "Opposition to the Four Foreign Ministers' Conference," another whisper said: "Oh, it is the voice of the German Nazis."

Tsing Hua Holds Aloof

The students of the Tsing Hua University, it was said, were invited to participate in the demonstration. A convoy of commandeered buses bearing several students of China University, who filled the roles of the "commissioners" of the local authorities, arrived at the gates of Tsing Hua in the early morning of March 14, where hundreds of students were waiting. But to their great disappointment, none of the students showed any intention of boarding the buses. Instead, they wrote two very big slogans on the leading bus, reading: "Support Hitler! and "Work out reactionary demonstrations!"

The "commissioners," on the other hand, seeing several "comrades" among the Tsing Hua University students, called to them by name to board the buses, hoping that the others would come along.

As two of them slipped into a bus, the students shouted with indignation, "Don't prefer money to face!" And Mr. Liu Hai-liang, the chairman of the students' self-government group, took out a pile of dollar bills and shouted sarcastically to his two fellow students: "Boys, we have money here for you, too." A girl "commissioner" leaned her head boldly out of the window of the bus and cursed the students as Communists. This accusation was immediately answered by loud laughter. Defeated morally the "commissioners" helplessly ordered the drivers to drive back to town.

Labelled "Communists"

The bus that bore the slogans written by the students of the Tsing Hua University was severely damaged by the demonstrators when they met it in town. And Mr. Liu Hailiang was reported publicly as a Communist. Next day, March 15, the school bus of the Tsing Hua University was overtaken by plainclothesmen before it got to town, carrying professors and students. It might have been supposed that the policemen were the most "patriotic" participants in the parade the previous day and were avenging the insulted "commissioners." They wrote a lot of slogans on the car, which were not so favorable either to the University or its students. The biggest one read: "Tsing Hua University is a training center for Communists."

Being fully aware of what was behind this, the professors and students in the car swallowed their pride and bade one another keep silent. Then the plainclothesmen, having occupied and conquered the bus, with curses and threats compelled the driver to stop at every crowded spot and kept shouting: "See, this is the car of the Tsing Hua University. In it are Communists."

They released the bus when they got a little tired. To date that was the last bus seen at Tsing Hua. Because the manager of the buses has been warned and threatened by the

"Organizing Committee of the Patriotic and Sovereignty-Protecting Association" which was formed after the demonstration, that they would "pull every car to pieces" if he continued to do this service for Tsing Hua. In the University the students have warned one another to stay on the campus. When one wants to go out, he must have two or three fellow students along.

Cold Reception

As a matter of fact, the demonstration itself seems not to have impressed the people so much as the episodes. The efforts of the "chalk columns," however, won some "appreciation and admiration." Chalk slogans can be seen everywhere. "Down with the Communists!"—"Down with the Soviet Union!"—"Down with the new traitors!"—"Get away, you Russians!"—"Oppose the Four Foreign Ministers Conference"—and the like were and still are written on buses, streetcars, motor cars and trucks, while on walls, windowpanes, electric poles and doors—Slogans such as "Drive into Moscow." "Bury Stalin alive," "Beat Molotov to death," "Annihilate the Russians with atomic bombs" and so on stand challengingly among others.

These are so far from possible realization that, instead of arousing any sense of sincerity or enthusiasm, they give rise to ridicule.

When my friend and I repeated these slogans to a professor of Peking University, he commented with indignation and sarcasm that all these slogans were only good enough to put the Government in an awkward position. "By what means would they drive into Moscow, if they were bold enough to wage war against Russia?" he continued, "Even if the American government could give atomic bombs to them, are they able enough to drop them on Russia—to run the errands they are authorized to run? This kind of slogan could only be shouted by American reactionaries, but they are not so crazy as ours in China. Ours are not even qualified to do it. The demonstrators might have made one impression on the people anyway, that is, those who would fight the Communists in Russia as well as in China fancy they are being backed to the limit by Uncle Sam. This is 100 percent foolish and absurd.

Anti-Foreign Madness

"Theoretically, the problem of China should not be discussed by Foreign Ministers," he went on, recovering from his irritation. "But the present Chinese situation in fact is a problem to be resolved, if the big powers want to maintain peace. As you know, the civil war in China symbolizes the whole conflict of the two main trends of politics and economy in the world. It may lead to a total breach if we let it develop.

"A genuine and impartial mediator is badly needed, since the two conflicting forces both want peace in China even now. No doubt the Big Three, the United States, the Soviet Union and the United Kingdom, can constitute themselves such mediators. I rather approve of the three Foreign Ministers having a discussion of the Chinese situation and entering into some agreement on aiding the Chinese people, not only the Government, to form a real democratic government and to stop the war. If the demonstrators were really patriotic they would not have performed like this. If the Russians should all 'get away,' would it profit the Chinese people and Kuomintang and its government? We don't like to see foreign forces stationed in China, of course. But 'armed forces' are not all foreigners. This demonstration can only reveal anti-foreign madness. That's all," he concluded with a long sigh.

APPEAL BEFORE CLOSED GATES

By NORBERT SELIGSOHN

IN an expectant atmosphere a challenge was issued here on a recent Sunday. Its subject was right there in the closely packed audience.

Said Mr. Charles H. Jordan, Far Eastern Representative of the American Jewish Joint Distribution Committee, at Hongkew's Ellis Kadoorie School, speaking before several thousand European refugees: "How dare we, who pride ourselves that we are carrying the torch of progress and humanity, stand by and watch those millions of hapless and helpless people struggle forever in an attempt to return to a semblance of normal life."

Behind this call to the world's conscience, which every non-cynic maintains does exist, stands human tragedy.

Shanghai's Share 15,000

Shanghai, among other tragedies, harbors a fraction of this one—roughly 15,000 European Displaced Persons.

A total of 15,000 persons does not amount to much, taken as a figure in the ledger of human suffering. It does not even amount to anything important if this figure of 15,000 is added to the whole Displaced Persons problem, running up to a mere 2,000,000.

But examined more closely the problem of this city's European DPs split up into 15,000 tragedies, and this is a lot of sufferings, from the viewpoint of humanitarians and decent people in general.

These men, women and children are part of the war's heritage, having been its victims. They have lost almost everything the normal human being has a right to possess.

Many of their loved ones, who had to remain behind in Europe, were murdered. Their possessions were looted. Over their whole existence fell the shadow of a nightmare. The nightmare did not vanish with the end of the war. What these people need most is a home, where the dark spirits of the past's memories cannot haunt them any more.

Barriers Still Up

Yet, the doors of almost every country the world over are closed against the homeless. Human imports with the trade mark "DP" are not desired, and people, who are stamped with the mark "DP", have come to doubt the existence of such a thing as a world conscience.

15,000 Displaced Persons from European countries found a haven in China. China is a country which grapples with her own problem, and the problem of 15,000 stranded Europeans should not add very much to the beaker of China's troubles. But in the eyes of the starving, 15,000 mouths are a menace to the rice bowl, even when their bread comes from the other side of the Pacific. So the question cannot be solved by importing bread to feed mouths, but by enabling 15,000 persons to earn their bread for themselves, and settle down for a normal life elsewhere.

Into the gloom penetrated a ray of hope. The hopes of Displaced Persons, including those of Shanghai, center around four bills brought before the United States House of Representatives. Two of them provide for the allocation of unused immigration quotas to "persons who find themselves in a position of acute distress". Displaced Persons are considered as falling under this so-called "Distressed Persons Scheme." The other two bills aim at the extension of immigration visas to an additional number of 100,000 persons, in excess of the regular quota allocations.

However, it must be realized that other countries should share in the responsibility, and do their part in meeting this humanitarian challenge: *"The Gates Must Be Opened.*

The gates not only shut out 2,000,000 eaters. They shut out skills, labor, ingeniousness, science, culture and a host of other things considered as highly valuable by civilized humanity.

"Process Of Erosion"

Only human happiness can create more happiness for more human beings. Distress is a sore which tends to spread rapidly. This sore must be cut out speedily, and Displaced Persons must be given a home. This is the only solution worthy of conscientious humanity. The dark powers, who hovered over part of the world until the end of the second world war, would have found another solution. They would have employed the "process of erosion."

And where the shadows of these powers still linger, the possibility of employing this process in the solution of the displaced persons problem lingers too.

Said the *Manchester Guardian* in an editorial published last year, which was quoted by Mr. Jordan: "Some observers see in the attitude of responsible quarters a cynical belief that the refugee problem might solve itself by a 'process of erosion:'" adding that "though this may be true we should not forget that between the millstones of inertia and political expediency it is human lives that are being ground."

Hoarding, Idle Capital, Exports Boost Commodity Prices Here

COMMODITY prices started to rise once again during the week. Rice, the staple food of the people, which for more than a month was stabilized around CNC$110,000, soared to CNC$150,000 per picul on April 7. Prices for cotton yarn, artificial silk, sugar, edible oil and other commodities also advanced during the last few days.

Many reasons were given for this general increase in prices. Market rumors were that quotations will move higher as the authorities plan to issue notes of CNC$10,000 denomination while bank's check of CNC$50,000, CNC$100,000, and CNC$200,000 will be issued by the Central Bank of China for general circulation here.

Rice Sent North China

Mayor K. C. Wu at a meeting on Monday explained that the price of rice had risen due to heavy purchases by merchants for shipment to North China. He said that the authorities have been requested to ban the movement of rice to the North.

He further explained that the price of edible oil had increased because of large exports of soybeans, sesamum and peanuts in recent months. To preserve sufficient supplies of these products for home consumption, the Ministry of Economic Affairs has been requested to ban the export of these products.

Mayor Wu declared that yarn had climbed because of the lack of raw cotton. However, this problem will soon be solved as 200,000 bales have been imported by UNRRA and will be sold to local mills at prices around CNC$700,000 to CNC$800,000 per bale, which is far lower than the current local market price.

Idle Capital Factor

Aside from these explanations, it must be mentioned that the most important cause for the prices boom is the failure of the authorities to divert the colossal amount of idle capital here into productive channels. At present, large sums of idle capital are concentrated in this city, as shown by the figures covering remittances to Shanghai during 1946.

Last year, Shanghai received remittances totalling CNC$1,246,285,812,705.90 from outports while only CNC$463,716,515,308.65 was remitted from Shanghai to the outports. Other figures, such as the deposits in banks here, confirm this situation. To illustrate, Shanghai bank deposits at the end of January were CNC$298,491,266,467.23, but by the end of February had risen to CNC$369,178,734,989.70.

Although no figures are yet available, bank deposits at the end of March were generally believed to be considerably higher.

Interest Rates Down

As a result of the presence of such large sums of idle capital and the prohibition of trading in gold and foreign currencies, the black market interest rate has dropped in recent weeks from its one-time peak of 25 percent to 10 percent. In this situation, in which people cannot make use of their money, it is but natural that they should once again turn to the hoarding of commodities, which has caused a general appreciation of prices.

Well knowing this situation, the authorities decided at by the end of March to issue Treasury Notes and Bonds in American currency to the amount of US$400,000,000. Although the necessary work of preparation and the printing of forms were rushed, the notes and bonds actually were not issued until April 5. However, the response so far has not been very enthusiastic and it remains to be seen how much of the idle capital can be so absorbed.

Well-informed financial circles are of the opinion that the issuance of these notes and bonds may not affect the money market much as it is likely that people will use their gold bar and U.S. dollar holdings to purchase these notes and bonds rather than their CNC cash holdings.

With the increases in commodity prices, wages to be paid to workers will have to be raised for the month of April. In March, when commodity prices remained steady, the subsidy paid workers was CNC$73,000, the amount paid workers for February.

Industrial Output Off

It is important to note that March industrial conditions in Shanghai were reported to have been not as good as in February. The Shanghai Consolidated Tax Bureau announced that consolidated taxes collected in Shanghai in March totalled CNC$53,000,000,000 as against CNC$57,000,000,000 in February.

The following table gives the quotations of the leading commodities for last week:

	March 28 CNC$	April 5 CNC$
Bond C	14,200	12,700
Wing On Textile	2,240	2,540
Mayar Silk	7,200	10,100
Ewo Coton	24,100	29,600
Rice	108,000	110,000
Wheat Flour	51,000	56,500
Peanut Oil	313,000	360,000
20's Yarn	3,440,000	3,900,000
12 lbs. Cloth	155,000	176,000
Raw Silk	7,200,000	7,400,000
Artificial Silk	6,150,000	7,200,000
Ruby Queen cigarettes	38,200	42,300
Koo Ban soap	197,000	211,000
My Dear matches	1,350,000	1,440,000
Newsprint	96,000	115,000

* * *

Another bureaucratic firm was organized last week, the *Wen Wei Pao* reported. The Yi Chung Trading Company will start business soon and is to handle textile, flour and oil factories. The Bank of China is reportedly investing CNC$1,000,000,000 in the new concern. An oil refinery has been set up in Tsingtao, the paper said, adding that Dr. H. H. Kung is the chairman of the board of directors of the new company.

* * *

The Land Bureau here has announced new land valuations, according to which land at the corner of Nanking Road and the Bund is valued at CNC$550,000,000 per mow, at Chekiang and Ningpo roads at CNC$210,000,000 per mow, at Honan and Peking roads at CNC$210,000,000 per mow, Chung Cheng Road CNC$105,000,000 per mow, and CNC$90,000,000 per mow along North Szechuen Road, the *Sin Wan Pao* reported.

* * *

Daylight saving time will be enforced throughout China at zero hour on Tuesday, April 15, and will last throughout the summer until September 30, 1947, the Supreme National Defense Council announced. Clocks will be moved ahead one hour.

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NEWS OF THE WEEK

Molotov Queries U.S. Obligations Of 1945, Presence Of Troops

AS agreed between the U.S. Secretary of State George C. Marshall and Soviet Foreign Minister Vyacheslav Molotov, information was exchanged between the participants of the current Moscow conference and copies sent to the Chinese Ambassador in the Soviet Union. In reply to Marshall's statement, which was handed the Soviet government on March 31, Molotov reiterated the policy of non-interference in China's internal affairs and said that "the implementation of unity and democracy in China, which call for a broad invitation of democratic elements to participate in all organs of the National Government of China, is the concern of the Chinese people itself."

Further, Molotov indirectly accused the United States Government of "fanning the civil war," through a participation of "foreign armed forces" in the conflict, both of which, he said, created additional difficulties in restoring the national unity of this country.

Molotov reminded Marshall in his note that both countries undertook obligations in regard to the "withdrawal of Soviet and American armed forces from China at the earliest possible date, compatible with the fulfilment of their obligations and their responsibilities." He then declared that "the evacuation of Soviet troops from Manchuria was completed on May 3, 1946.

"Approximately one year has passed since then and the evacuation of American troops from China has not only been not completed but it is generally unknown when the United States shall fulfill its obligations to withdraw American troops from China," he charged.

Molotov, thereupon, insisted that exchange of information "would be useful" as it would help to clarify the actual situation regarding the fulfilment of the Moscow agreement on China, inasmuch as the existing situation in this respect is not satisfactory...."

The following day, *Tass* published copies of letters exchanged between Marshall and Molotov, and Moscow Radio accused the United States of giving "extensive military aid" to Chinese Government forces and establishing big air force bases near main Chinese towns. They also pointed to reports in the American press that American aid to China since V-J Day "greatly exceeds American aid throughout the period of the war against Japan."

Reds Attack Marines

A SERIOUS clash took place late last week between U.S. Marines guarding an ammunition dump near Tangku, North China port, and an estimated 1,000 Communist guerrillas, who attacked the Hsinho depot apparently in quest of ammunition supplies. Five Marines were killed and 16 wounded in the fighting, which lasted for more than four hours. Later, as a Marine convoy sped from Tangku to the rescue, eight more Marines were wounded when the relief column was ambushed and armored cars stopped by electrically-controlled land mines, reports from Peiping said.

Chinese Government circles claimed that numerous casualties were inflicted on the attackers who were pursued by American Corsair planes and one battalion of Chinese Government troops, supported by tanks.

A U.S. Marine announcement in Tientsin said: "It has been definitely established that a Communist organization attacked the Marine ammunition plant near Tangku at 1.15 on the morning of April 5. Papers found on dead Chinese soldiers in the area verified the fact. It appears this attack was made for the purpose of securing ammunition, but little if any was obtained."

As a result of this attack on the Marine depot, the Chinese military authorities have agreed to a request that the Marines extend their defense lines to a distance of about 1,000 yards around the dump. This request was made by Major-General Samuel Howard. General Lin Wei-tschou, who granted the request, ordered the villagers within the area to evacuate and told them that they would be held responsible for any consequences if they re-entered the zone.

Meanwhile, the KMT-Communist civil war continued unabated. General Ma Hung-kwei's forces entered the Red stronghold of Tingpien, guarding the northwestern approaches of Shensi. Sanguinary street fighting was reported by *Central News*. Yenchih, captured previously, is the second of the two salt-mining centers and the agency interpreted this as a "crippling blow to the Communists' economy, as four-fifths of the revenues in North Shensi had been derived from the salt industry."

Former Shanghai Mayor Tang Enpo figured prominently in reports of mopping up operations along the Tsiwankow-Taian-Tsinan railway.

Anothr report from Nanking said that the Nationalist armies swept into Wahyaopao, allegedly provisional headquarters of Communist commander-in-chief General Chu Teh. The Government forces were also driving on Suiteh, "another important Communist stronghold."

Yulin, which was earlier reportedly under attack by the Reds, was the scene of a Government drive south, for the purpose of joining with the Suiteh attackers.

Reuter's reported from Nanking that nine out of the 11 Communist controlled cities in north Shensi have been captured by Government forces since the fall of Yenan.

Successes for the Communists were few, according to dispatches from Nanking. General Liu Po-cheng attacking the Pinghan railway in Honan, captured Laotsantien, three miles from the north bank of the Yellow River. There was also some activity in the area north of Kaifeng, where the Nationalists took Huihsien and Wanhsien.

By midweek, General Chu Teh's army is reported to have crossed the Yellow River, under pressure of Government generals.

The Dairen take-over question has not arrived nearer a solution with the *Central News* report that 50,000 Communists are at present located in "Dairen and Port Arthur," and that these ports have been "stripped to empty shells by the Communists and the Russians," according to *UP*. The political situation, according to this report, has likewise deteriorated in Dairen, where "most of the schools have been destroyed or occupied as barracks by the Communists. In the schools which are allowed to carry on, Communism and Mao Tse-tung's new democracy teachings are the main subjects of study."

Sale Of Monopolies?

IN an effort to increase China's national revenue, the Government has announced the sale of Government-operated enterprises to the public. This has reportedly been approved by the Executive Yuan and includes 70 percent of the important China Textile Industries Inc.

Besides the above, 10 other Government monopolies will be on sale, including the China Marine Products Company; Tientsin and Manchurian paper manufacturing factories under the National Resources Commission; the China Tobacco Company; the electric plants in Anking, Anhwei; Shihwei, Hopei; and Tienshui, north Kiangsu; the Central Motor Car

Peng Supports U.S. Aid To China

INFORMATION Minister Peng Hsueh-pei stated in Nanking late this week that "whatever aid is being given China by the United States is being given to the legitimate Chinese Government and not the subversive, disloyal elements who are resorting to rebellion." He added that there was nothing wrong in giving aid to an ally. This statement on the part of Peng was interpreted as a rebuff to Vyacheslav Molotov's answer to General Marshall's letter, released by *Tass* earlier in the week. Peng also said he appreciated Molotov's reiteration of non-interference in China's internal affairs.

Machine Parts Factory, the Tsingtao Weihsien Dyestuffs Company; 40 percent of the China Textile Machinery Factory; flour and oil factories under the Food Ministry; and also 50 percent of the China Silk Company, and the China Salt Industry.

Sale prices will be valid for six months, after which they may be readjusted. These will be listed in CNC, but U.S. dollars will also be accepted to boost the National Treasury's foreign exchange reserve.

As a guarantee that government banks and bureaus will not secure interests in the concerns for sale, these institutions are prohibited from participation in the sale. Shares will be issued only to individuals and private organizations.

The KMT-controlled *Shun Pao* here, in one of the first reactions to this announcement, said that the China Silk Company, "even after being reorganized into a private concern, will still be supervised by the Government. The company has seven factories valued at CNC$30,000,000,000, and employs around 10,000 workers.

U.S. Dollar Loan

AT a press conference given members of the press here, Finance Minister O. K. Yui expressed "utmost optimism" over the sale of the US$400,000,000 in Treasury Notes and National Debentures, and added that the sale of these is "absolutely based on the principle of free subscription."

"The loans shall not be distributed by coercion. However, I am sure that the people will buy them," Yui declared.

He declared that the Government has sufficient foreign exchange in reserve to protect the bondholders. He explained that the national loan was issued in American currency because it is aimed at absorbing idle capital, "thereby stabilizing the financial situation as well as the whole situation in China."

Foreign firms and Chinese banks subscribed to the new issue, Chinese press reports claim. The *Wen Wei Pao* said that the Bank of China, Central Trust, the Postal Savings and Remittances Bank, the Bank of Communications, the Farmers' Bank and the Shanghai Banking Association have bought US$30,000,000 treasury notes and US$10,000,000 government bonds. Mayor K. C. Wu personally became a holder of US$1,000 worth of treasury notes, while reportedly the "General Manager of the Shanghai Power Company subscribed to treasury notes worth CNC$5,000,000,000," according to the *Wen Wei Pao*.

One of China's most prominent economists, Professor Ma Ying-chu, commenting on the floating of the domestic loan said that idle capital is liable to be absorbed and a certain deflation of the fapi with the subsequent stabilization "more or less" of commodity prices may be attained. These two results he classed under "good points." Against these two favorable aspects, Professor Ma found eight "highly suspicious" points:

(1) The issuance of treasury notes and government bonds in U.S. currency indicates that the government itself has no confidence in fapi.

(2) Even if the entire issue is sold out it can at best cover only six months' Government expenditures.

(3) The budget figure of CNC$9,300,000,000,000 "is not based on fact." CNC$23,000,000,000,000 is nearer the facts. Therefore, the loan is liable to be eaten up in two or three months.

(4) If the loan can hardly cover the budget deficit, how can it be used for reconstruction?

(5) The security of the loan based on government-operated enterprises is inadequate.

(6) If private capitalists take over these enterprises will they continue to make money?

(7) The Government may increase the value of the fapi when reckoning time comes and the people will lose money, as was the case with the CRB200 to CNC$1 rate.

(8) It is idle talk that the loan is earmarked for reconstruction. "The Government in the past has passed many beautiful resolutions, but how many of them have been carried out?"

Professor Ma ended with the demand that the Government return the 40 percent of the gold holdings of the people which went to the "war chest" and also guarantee that repayment of loans will be made in U.S. currency and not in fapi. "Otherwise no-one will believe in the Government's future utterances," Ma declared.

What U.S. Papers Say . . .

INTERNATIONAL negotiations were followed with unflagging interest in United States papers. Marshall came in for his share of approval for his blunt statement to the Foreign Ministers in Moscow that a "real agreement" must be reached. On the subject of disarmament, U.S. papers were for the most part solidly behind the country's declared stand. The *Washington Post* carried a sharp editorial criticizing misrule in Formosa.

* * *

MARSHALL

AGAIN Gen. Marshall held the limelight in the United States with his statement calling for "real agreement" by the Council of Foreign Ministers regarding Germany's political and economic future, and setting forth the U.S. position on the German question.

According to the *Baltimore Sun*, "Marshall's forthright restatement at Moscow of the position of his government toward unification of Germany ought to put the Foreign Ministers' meeting back on the tracks ....The Russians are clearly anxious that the future Germany shall look to the East as the source of well-being. The U.S. position is not simply the reverse of this. Our view is that a peaceful, self-supporting Germany should be integrated in the fabric of a peaceful, self-supporting Europe, with ever-lessening external compulsions. If there is a conflict.... it has to do with these differing concepts....

"The United States, Marshall said in effect, would accept no policy the result of which was to keep Germany a congested slum or an economic poorhouse in the center of Europe. The Russian proposal for taking reparations out of current production could do only that. Moreover, he objected to Russian rigidity on this point. 'We can never reach agreement,' he said, 'on the basis of an ultimatum or immovable position.'"

The *New York Sun* opines that "There has been too much devotion to the letter of past agreements among the Big Four and too little attention to the spirit of those agreements. The United States, as Marshall went on to explain, wants a united, democratic Germany able to contribute to the rehabilitation of a united, democratic Europe."

In the opinion of the *New York Herald Tribune*, "What he (Marshall) did offer was bluntness and a certain appeal to common sense.... He did not, however, offer specific proposals for reconciling the differences. The force of what he said lay in his insistence that there must be a 'meeting of minds' rather than a continued reiteration of incompatible contentions."

"The capacity of great power statesmanship to face not simply its own several national aims but the whole politico-economic context of the great issues with which it is seeking to deal is here at last, perhaps, meeting the searching test which cannot forever be postponed. If it fails entirely the international scene will not be hopeless, but it will be grimmer than before. But if it succeeds in only some small measure, it will be a good augury for much more even than the German question, vital as that is."

* * *

FORMOSA

THE *Washington Post* carried an editorial on reports of misgovernment in Formosa. Commenting on Chinese atrocities reported by John W. Powell and Christopher Rand, it said:

"What is happening in Formosa disposes of China's case for consideration as a responsible world power even more than her disintegration into civil war.

"President Generalissimo Chiang Kai-shek, by his long neglect of his responsibility, seems intent upon establishing a case for the return of Formosa to Japan.

"In the coming peace negotiations record, it should be taken into account by the peacemakers either to transfer the case to the United Nations or to withdraw the island from China."

Commenting on these reports from Taiwan the *Washington Star* said: "Certainly, assuming that our correspondents have been substantially correct, Chiang's Government cannot afford to take half-measures or to display indifference in a situation of this sort. It cannot afford to have the hate, instead of the goodwill of the people of Taiwan. It cannot afford to let its subordinate officials outrage world public opinion—particularly opinion here in America, where Nanking seeks special support and where special support has been offered in good faith to promote a better order in China and throughout Asia."

The *San Francisco Chronicle*: "There either did or did not take place in Taiwan, as charged, atrocious massacres of Taiwanese, in the style of the imperialistic Japanese massacres of several years ago, against which the Chinese protested in such shocked humanitarian language. If massacres happened.. (and if) Chen Yi's connection were established, he should pay a fully appropriate penalty. His resignation, if true, is hardly a sign of innocence. But, in any case, resignation is the gesture of an official involved in a minor scandal and is grotesquely inappropriate here. The moral position of the Chiang Government is gravely impaired by news of this almost casual gesture and, whether it is realized at Nanking or not, the cue for the leaders of the National Government is for a lot of investigating, a full account of what happened and resolute action if a case is made. If there ever was a time when the world could ignore allegations of such oppression anywhere, these are not the times."

Who's Who in China

CHOU LU, government official and renowned educator; born at Tapu, Kwangtung, 1884; studied at Chinshan Academy and graduated from Kwangtung Provincial Law School, Canton, 1909; while

Chou Lu

（鄒魯字海濱）

at college assisted Dr. Sun Yat-sen in revolutionary activities against Manchu regime; participated in Canton Uprising of March 29, 1911, directing publicity for Revolution as editor of *Ko Pao* in Canton; upon outbreak of revolution in Wuchang in fall of same year, he and fellow revolutionary workers seized Canton from its Manchu garrison; after fall of Kwangtung, was appointed superintendent of military stations of Northern Expeditionary Force and fought Manchu troops in Northern Kiangsu; upon establishment of Republic, returned to Canton and was appointed director of Government Bank of Kwangtung; elected member of Peking Parliament, 1911; opposed Yuan Shih-kai and narrowly escaped arrest and execution by him; accompanied Dr. Sun Yat-sen to Canton to launch campaign against Yuan, but failed in attempt; went to Japan, 1913; studied political science and economics at Waseda University, and graduated in 1914; while at Waseda was editor for four years of *Republican Magazine* established by Dr. Sun in Tokyo, 1913-16; when Yuan attempted to crown himself emperor, returned to China and raised subscriptions in South Seas and Hongkong to finance another campaign against Yuan; was re-instated as member of Parliament after Yuan's death; when Parliament was dissolved for second time by President Li Yuan-hung and Chang Hsun attempted to restore monarchy, he again followed Dr. Sun to Canton with Chinese Navy and started to campaign in defense of Provisional Constitution; resumed seat in Peking Parliament, 1922; was commissioned by Dr. Sun to suppress revolt of Chen Chiung-ming and succeeded in ousting Chen from Kwangtung; was commissioned by Dr. Sun to organize Kwangtung University; elected member of Central Executive Committee and concurrently director of Youth Department at 1st National Congress of Kuomintang at Canton, 1924; after death of Dr. Sun in 1925, advocated purge of Communist elements from Kuomintang and convened 4th Plenary Session of Kuomintang at Western Hills, Peking (popularly known as Western Hills conference) at which it was decided to expel all Communist mem-

What Chinese Papers Say...

THE Chinese press last week watched closely the movements leading to the participation of two minor parties in the broadening of the Government's basis. There was, likewise, considerable comment on the future of Japanese reparations, foreign policy and the domestic loans.

* * *

GOVERNMENT

THE *Ho Ping Jih Pao*, KMT Army organ, reiterating that the Government has convoked the National Assembly to enact a constitution, said that the Government "has been positively preparing to return the governing power to the people." The paper said that the entry of other parties into the Government would create an unprecedented position in China when a new type of party politics would emerge. In these circumstances, "one party leads a number of other parties in cooperating with one another."

The paper said this setup would reflect the Chinese big family system. "From the standpoint of Chinese tradition, this is a real democratic spirit, and a real enlargement of the Government's basis," the paper concluded.

The CC organ *Sin Wan Pao*, commenting on the same subject, said that the Kuomintang, the Democratic Socialists and the Young China Party have been "charged with a sacred, historic task, and we the people can only allow them to succeed, but will not allow them to fail."

The paper further listed three major problems facing the three parties: (1) How can the people's rights and freedom be guaranteed? (2) How can the elections be made compatible with the people's wishes? and (3) How are the representatives of the Democratic Socialist and the Young China parties, who are to participate in the Government, going to display their statesmanship?

"We earnestly hope that all quarters concerned will have a good grasp of the realities and will not betray the trust of the people," the *Sin Wan Pao* declared.

Neither the *Ta Kung Pao* nor the *Wen Wei Pao* devoted space to similar comment, but the former presented a study of the laws relating to the enforcement of the constitution.

* * *

REPARATIONS

DIVIDE Japanese Reparations Immediately, was the *Ta Kung Pao* heading over its editorial on the subject. The paper said these reparations were a matter of great importance to China. "If we can make good use of the plants, they will become the basis of our industrialization. On the other hand, if they are poorly handled, it will mean a waste of money and energy, and the industrial equipment brought to China will become mere scrap, so that we will be laughed at by the rest of the world," the paper said.

The *Ta Kung Pao* also posed the question of how this reparations equipment is to be handled when it arrives in China. It stressed that beginning from the unloading stage, and before the equipment can be translated into plants, planning is required, besides capital and technicians in great number. "We ought to lose no time in making adequate preparations," the paper advised.

* * *

DOMESTIC LOAN

THE *Chung Yang Jih Pao*, local KMT organ, said that the purpose of the U.S. Dollar Treasury note and Government bond issue is to stabilize the financial situation and to increase the Government's foreign exchange reserve.

"Both will help to contribute much to the improvement of the present economic situation, and the benefit of the buyers, such as they would otherwise have secured through savings, would be well taken care of," the paper said. It also noted that the issue will be distributed through banks and not through the provincial and municipal government, thus doing away with the previous practice of compulsory sales of these bonds.

"The purchase of Treasury notes and Government bonds will not only benefit the entire economic situation, but will also facilitate one's savings, so all those who are financially capable of doing so, should enthusiastically buy them," the *Chung Yang Jih Pao* maintained.

* * *

FOREIGN POLICY

THE *Lih Pao*, organ of the official General Labor Union, "attacked" the Government's foreign policy on four points.

The paper pointed out that "we have not had enough spirit of independence. In the many international conferences, we have almost invariably followed the lead of the United States, considering its views as our own."

Then, the *Lih Pao* declared that "we have been pursuing too weak-kneed a policy toward Soviet Russia."

The protection of Chinese residing overseas has been neglected, the paper said.

The last point, the problem of the Three People's Principles, according to the paper, envisages that China "help the weaker peoples to obtain equality, freedom and liberation." However, it is obvious that the Government has ignored this "important mission," the *Lih Pao* stressed.

On the whole, the Government's foreign policy has been correct, the paper added, but said that the above comprised some of the "diplomatic blunders."

bers from party; was opposed by General Chiang Kai-shek and Wang Ching-wei in this move and, after establishment of Nationalist Government at Nanking, was forced to resign from Central Executive Committee; went on foreign tour and visited 29 countries, studying political, economic and educational conditions; participated in Peking Enlarged Conference of Kuomintang and Northern Coalition in opposition to General Chiang Kai-shek; after collapse of coalition, returned to Canton where with other members of KMT organized extraordinary session of Kuomintang and established an opposition government to Nanking; upon reconciliation of Canton and Nanking in Dec. 1931 and abolition of Canton Government, was appointed Councillor of Nanking Government and concurrently Chancellor of National Chungshan University, Canton; went to Germany and obtained LL.B. from University of Hamburg, graduating in 1936; returned to China, was reappointed Chancellor of National Chungshan University, Canton, which post he now holds; also a member of Southwestern Political Council; author of "A History of the Kuomintang," "A History of March 29 Uprising at Canton," "Travels in 29 Countries" and "Chou Lu's Collected Essays;" elected member of Central Committee of Kuomintang, November, 1935; address: National Chungshan University, Canton, Kwangtung.

Business Foot-Notes

The average cost of living index in China increased by 11,550 times as compared with the 1937 average, the *Ta Kung Pao* said. The HCL differed throughout the country: Hankow and Tientsin, 13,000 times; Shanghai and Nanking, 12,000 times; Canton, 11,000 times; Chungking, 7,600 times.

* * *

The *Ta Kung Pao* reported last week that the reviving Japanese pharmaceutical industry is already making inroads into the Chinese market. Many prominent Chinese physicians in Nanking recently received cards with the following words: "As peace has been restored between China and Japan, we are bending our efforts to the manufacture of better products at lower prices. We will welcome orders from you." The paper predicted that cheap Japanese products will soon deluge the China market.

* * *

A "responsible source" told the *Tieh Pao* that an amendment to the Import Control regulations allows for the importation of motor cars priced below US$1,000, and that preference will be given to the importation of jeeps and trucks, "as they are needed for national reconstruction."

* * *

The port of Hulutao, Manchuria, is still under military control, despite a directive issued by the National Defense Ministry that the port be immediately opened to commercial vessels, the *Ta Kung Pao* reported. A plan is being drawn up, in the meantime, for an extension of the port's facilities to accommodate vessels up to 50,000 tons displacement.

* * *

According to a decision of the KMT CEC, Canton and Hainan Island will be detached from the jurisdiction of Kwangtung proper. Canton is to become a special municipality and Hainan Island a province. Canton, by becoming a municipality, will thus come directly under the control of the Executive Yuan and not under the provincial authorities.

NEW BOOKS OF INTEREST

New Republic?

CROSS-CURRENTS IN THE PHILIPPINES *by Bernard Seeman and Laurence Salisbury, American Council, Institute of Pacific Relations, New York,* 1946. 66 *pp.*, US$0.25. *Reviewed by Urii Sdobnikov.*

ECONOMIC freedom, the authors say, is as important as political freedom, and without the one, the other is in jeopardy. They also quote Former High Commissioner of the Philippines, Francis B. Sayre, as saying:

"If the Filipino people are ever to have the independence which they crave, clearly their fundamental economy and means of livelihood must be free from dependence upon changeable legislative majorities in the United States Congress. Political independence without economic independence would be a mockery."

And the authors draw the conclusion that such legislation as the Bell and Tydings Acts adopted in 1946, which tie Philippine money and tariffs to American money and tariffs, set limits to free legislation by the Filipinos on these measures, and suggest that the "independence of the Philippines falls far short of the independence of a sovereign state."

They point out that the Trade and Rehabilitation Acts of 1946 further tie the islands' exports to the American market, while the "parity amendment" to the Philippine Constitution will give the Americans more rights and privileges than they possessed while the Philippines was an American possession.

In the domestic sphere, democracy has not arrived in the new republic, the authors say. The bulk of the newly created income has gone to the government, to landlords and to urban areas, and has served little to ameliorate the living conditions among the almost feudal peasants. All this has caused serious social unrest.

The pamphlet, tracing the history of the islands for some 370 years, says that "while benevolent America was building schools and roads (largely with local taxes), introducing modern sanitation and cutting down disease, imperial America was perpetuating a medieval economic system incompatible with the development of a healthy internal economy." What was true in 1941, the book says, is even truer today.

Dealing with the question of collaborators, and in particular with the actions and participation in the puppet regime of the present Philippine President Manuel Roxas, the pamphlet leaves no doubt as to the status of the man who took part in the Japanese sponsored Preparatory Commission for Philippine Independence and exhorted war prisoners to "respect the constituted authorities," and obey the laws and regulations duly promulgated by the Japanese.

The problems of prosecuting collaborationists and the implementation of the long-overdue land reform which is to alter the relationship between plantation owners and peons, have urgently to be settled if bloodshed and civil war are to be avoided in the islands. Moreover, the Philippines must cease being a "four-product nation" exporting 95 percent of these to the United States. This is the conclusion one draws from the Cross-Currents in the Philippines, or in the words of the authors: "The Philippines have little future as an independent nation until the United States frees them from the restrictions it imposed before granting independence."

Past Lessons

RAW MATERIAL PROBLEMS AND POLICIES *issued by the Economic, Financial and Transit Department of the League of Nations, Geneva,* 1946. 116 *pp. Reviewed by Y. F. S.*

THE book starts with a review of the transition problems which faced the world in 1918, and the question of raw materials, of which there was a "general and local shortage," particularly acute in continental Europe, the main battleground of World War I.

The review points out that, then, as today, the fear of German resurgence hampered the smooth reconversion to peace-time production, in Europe, in particular.

When prosperity finally rounded the corner in 1925-1928, the discussion of raw material problems as confronting importing countries and consumers ceased, signifying the great revival of trade. At the same time, raw material problems confronting producers and exporting countries became more urgent and gave rise to severe maladjustments and plans for various kinds of controls. Some of these plans materialized and, the book says, caused consumers and importing countries to complain of monopolistic exploitation and discriminations.

The study follows through the great depression of 1930-1934 and into the period of war imminence of 1935-1939, when raw material control schemes continued to govern the supply of numerous primary products with a growing disbalance in the control and consumption of raw materials. The "have-nots" — Germany, Italy, and Japan— came forward as the dispossessed and while taking measures to gear their economies to self-sufficiency, as with the German "four-year plan," began to exhibit an aggressive tendency to redistribute, by force, the sources and supply of raw materials.

It was becoming increasingly clear that the obstacles in the way of access to raw materials, of which some industrial states complained, "were due in the main to their armaments policy, their ambitions and aggressive acts."

In part two, Lessons From The Past, for the solution of international problems, clearly indicate that unless the sources of raw materials are controlled by countries with democratically inclined governments and regimes, another world war appears inevitable. It is clear that unless raw material sources are freed from monopolistic control, "have-not" nations are bound to reemerge with demands similar to those posed by Germany, Japan and Italy in the period after World War I.

The analysis itself in the Conclusion says: "There would be few difficult problems of this kind (raw materials)—and none insoluble—in an expansive world economy sustaining a large and stable flow of commodities, services and investment funds. Within such an environment importing countries would have no special difficulty in financing purchases of foreign raw materials, price fluctuations should generally remain within reasonable bounds, and prolonged conditions of excess productive capacity could be expected to occur but infrequently." This could be achieved, it is said, by the abatement of excessive and preferential export taxes, and of objectionable forms of export prohibitions and restrictions.

The main failing of the analysis, it seems, is the failure to stress that all these conditions cannot be achieved of themselves, merely through recommendations to the powers that be, but only through the democratization of those governments now in control of the main sources of raw materials.

Bedroom Comedy

DUCHESS HOTSPUR *by Rosamond Marshall. Published by Prentice-Hall, Inc., New York,* 1946. 280 *pp.*, US$2.75. *Reviewed by Marion Barney.*

LET us hope historical novels suffering from the influence of "Forever Amber" are not to become an integral part of our literary tradition. This particular example is one of the more tasteless.

The scene is laid in London during the 1770's, of which there are a few conscientious but uninspired descriptions. The local color is supported by the occasional appearance of such figures as Gainsborough and Samuel Johnson, who contribute a few courteous sentences to the historical value of the book and go their way. Joseph Bardi is even accorded a supporting role as confident to the hero.

The central character is one Percy, Duchess of Harford, Baroness of Poynings and Latimer, Duchess of Someringham, Lady Dumbarton, otherwise known as "The Duchess Hotspur," "The Firetop," "The Widow Hilarity." This creature is naturally fascinating after the "naughty but nice" tradition. Her distinguishing characteristic is a habit of carving the initials of her discarded lovers on an exquisite French fan.

But, inevitably, true love comes to Percy in the form of an Apolloesque impecunious aspiring young journalist who is not impressed by the imposing titles, and is not to be dominated by the lovely siren's foibles. The story is equipped with a band of villains—the lady's ex-lovers and her scoundrelly cousin with an eye to her Duchy. By scurrilous conniving they separate the lovers, Percy gaining control of Ligonier's newspaper in revenge, and with the help of her wicked friends doing her best to run it into the ground.

Do not be dismayed; in due course all is straightened out with a riot and an attempted murder of the Duchess of Harford is foiled by the providential appearance of her wronged lover. All is reconciled, and they retire for the umpteenth time to the boudoir, but this time with matrimony in mind.

Really, it is difficult to see any virtue in this book, unless from the proverbial kitchenmaid's point of view. Its only outstanding passages are outstanding for their unnecessary vulgarity. By now the reading public must be aware of the fact that in its heyday England's aristocracy disported itself frivolously and with little regard to conventional morals. We are tired of hearing about it. The subject no longer has novelty.

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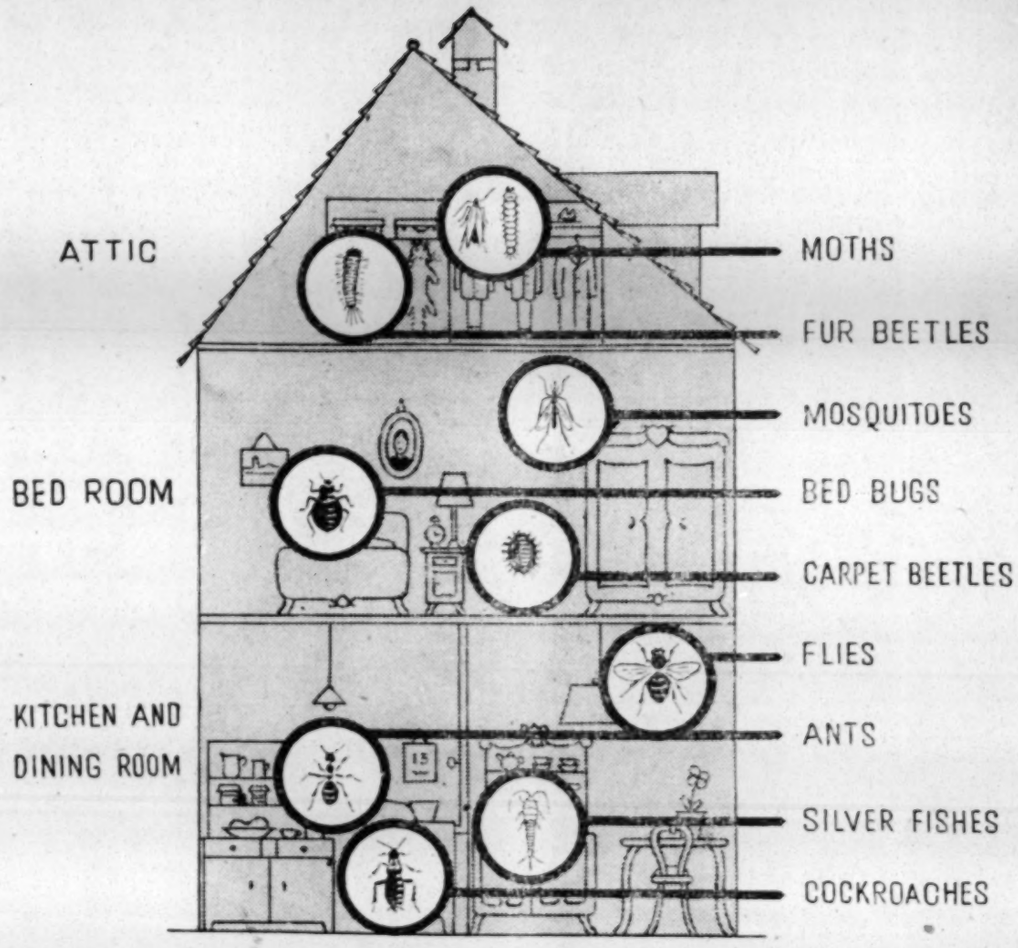

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NANKING-SHANGHAI LINE
TIME TABLE

73	4	76	6	8	78	2	10	12	16	TRAIN NO.	1	5	15	7	71	3	9	11	75	77
"Tai Hu" Excur.	I, II Triumph Exp.	II, III Local	I, II III Exp.	I, II Exp.	II, III Local Exp.	I, II N'king Excur. Throu. Exp.	I, II III Night Exp.	I, II Night Exp.	I, II III Night Exp.	STATIONS	I, II H'chow Excur. Throu. Exp.	I, II III Exp.	I, II III Exp.	I, II Exp.	"Tai Hu" Excur.	I, II Triumph Exp.	I, II III Night Exp.	I, II Night Exp.	II, III Local	II, III Local Exp.
6.40	7.00	7.30	9.00	11.00	12.15	13.30	21.50	23.00	23.30	D SHANGHAI NORTH A	14.45	16.25	18.25	19.30	22.20	22.45	6.35	8.00	9.25	17.10
			10.16	12.14			23.23			D KUNSHAN D		15.24	17.09	18.15			5.28			
	8.41	9.42	10.57	12.57	14.29	15.17	0.20	1.06	1.43	A SOOCHOW D	13.06	14.33	16.23	17.29	20.31	21.06	4.31	5.39	7.10	15.19
8.31	8.48	9.09	11.06	13.04	14.36	15.26	0.27	1.13	1.55	D SOOCHOW A	12.59	14.19	16.17	17.21		20.58	4.32	5.19	7.04	15.09
9.25	9.36	10.45	11.54	13.55	15.35	16.14	1.22	2.08	2.50	A WUSIH D	12.11	13.24	15.14	16.27	19.35	20.10	3.39	4.26	6.00	14.10
	9.42		12.06	14.02		16.23	1.29	2.15	3.00	D A	12.04	13.18	15.08	16.21		20.03	3.33	4.19		
	10.31		12.59	15.01		17.09	2.27	3.13	4.05	A CHANGCHOW D	11.17	12.22	14.05	15.20		19.16	2.35	3.30		
	10.40		13.08	15.15		17.19	2.37	3.25	4.13	D A	11.06	12.09	13.55	15.08		19.06	2.24	3.20		
	11.38		14.00	16.13			3.56	4.29	5.16	A TANYANG D		11.09	12.40	14.05		18.12	1.07	2.03		
	11.41		14.03	16.17			4.00	4.33	5.20	D A		11.05	12.36	13.55		18.03	1.02	2.00		
	12.18		14.40	17.01		18.46	4.46	5.18	6.02	A CHINKIANG D	9.32	10.28	11.44	13.07		17.23	0.09	1.07		
	12.25		14.45	17.17		18.53	4.55	5.27	6.09	D WEST A	9.24	10.21	11.38	12.59		17.15	23.56	1.00		
	13.55		16.10	18.50		20.20	6.30	7.15	7.50	A NANKING D	8.00	9.00	10.00	11.00		15.45	22.00	23.00		

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Excursion Through Expresses I	II	"Tai Hu" Excursion
SHANGHAI N. TO:–										
KUNSHAN	52	4,000.	10,000.	2,000.	5,000.	1,000.	2,500.			
SOOCHOW	87	8,000.	10,000.	4,000.	5,000.	2,000.	2,500.	19,500.	10,500.	20,000.
WUSIH	129	10,000.	12,000.	5,000.	6,000.	2,500.	3,000.	19,500.	10,500.	20,000.
CHANGCHOW	168	14,000.	16,000.	7,000.	8,000.	3,500.	4,000.	19,500.	10,500.	
TANYANG	213	16,000.	20,000.	8,000.	10,000.	4,000.	5,000.	30,000.	16,500.	
CHINKIANG WEST	243	18,000.	22,000.	9,000.	11,000.	4,500.	5,500.	30,000.	16,500.	
NANKING	312	24,000.	28,000.	12,000.	14,000.	6,000.	7,000.	30,000.	16,500.	

SHANGHAI-HANGCHOW LINE
TIME TABLE

23	21	61	67	25	1	41	27	TRAIN NO.	24	42	2	68	26	22	62	28
I, II III Exp.	West Lake Throu.	II, III Ord.	IV Mixed	I, II III Exp.	I, II H'chow Throu. Exp.	II, III Ord.	I, II III Exp.	STATIONS	I, II III Exp.	II, III Ord.	I, II N'king Throu. Exp.	IV Mixed	I, II III Exp.	West Lake Excur.	II, III IV Ord.	I, II III Exp.
6.45	8.00	8.15		11.30	16.00	16.15	22.45	D SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	23.30
7.05	8.16	8.36	9.00	11.53	16.19	16.36	23.06	D SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	23.12
7.49		9.46	10.29	12.38	17.03	17.46	23.50	A D	7.51	10.44	11.26	15.29	17.48		21.00	22.16
7.54		9.56	10.40	12.48	17.08	17.51	23.55	D SUNGKIANG A	7.47	10.38	11.21	15.22	17.39		20.54	22.11
9.02	10.02	11.40	12.50	13.50	18.16	19.23	1.06	A D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	21.00
9.16	10.08	11.50	13.15	13.58	18.26	19.33	1.16	D KASHING A	6.28	8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	1.50	D YEHZAH D	5.56	8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	2.21	A CHANGAN- D	5.23	7.27	8.58	10.40	15.06		17.42	19.34
10.36		13.26	16.10	15.11	19.37	21.06	2.26	D TSENG A	5.19	7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20	3.25	A HANGCHOW D	4.25	6.10	8.00	8.30	14.00	16.00	16.25	18.25

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Excursion Through Expresses I	II	"West Lake" Excursion
SHANGHAI N. TO:–										
SUNGKIANG	45	4,000.	10,000.	2,000.	5,000.	1,000.	2,500.	19,500.	10,500.	
KASHING	99	8,000.	10,000.	4,000.	5,000.	2,000.	2,500.	19,500.	10,500.	15,000.
YEHZAH	126	10,000.	12,000.	5,000.	6,000.	2,500.	3,000.	19,500.	10,500.	
CHANGANTSENG	151	12,000.	14,000.	6,000.	7,000.	3,000.	3,500.	19,500.	10,500.	
HANGCHOW	190	14,000	18,000.	7,000.	9,000.	3,500.	4,500.	19,500.	10,500.	25,000.

NANKING-SHANGHAI RAILWAY SYSTEM ADMINISTRATION

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